

**E2SSB 5182** - H AMD 785

By Representatives Seaquist and Haler

ADOPTED AND ENGROSSED 5/21/11

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that the state's  
4 higher education system plays a critical role in assuring Washington's  
5 continued leadership role in driving economic prosperity, innovation,  
6 and opportunity. By educating citizens for living wage jobs, producing  
7 world-class research, and helping to create vibrant communities, the  
8 state's institutions of higher education form a foundational component  
9 in assuring prosperity for our citizens.

10 The legislature also recognizes the significant contributions made  
11 by the higher education coordinating board in coordinating higher  
12 education policy and planning, and administering the state's financial  
13 aid programs. The board has also recently finished several significant  
14 planning efforts that will provide guidance to the legislature and to  
15 the institutions in forming priorities and deploying resources.

16 However, the legislature also recognizes the importance of  
17 prioritizing scarce resources for the core, front-line services that  
18 institutions provide--namely instruction, research, and robust  
19 financial aid. During times of economic downturn, policymakers must  
20 focus on those areas of public service that have the most direct and  
21 immediate impact on students. Keeping class sections open, attracting  
22 the best professors and instructors, providing comprehensive support  
23 services, and offering meaningful financial help to offset the costs of  
24 attending school must be the main concerns of policymakers.

25 It is for these reasons that the legislature intends to create a  
26 new office dedicated entirely to the administration of student  
27 financial aid programs. By focusing financial and governance resources  
28 on direct aid to students, the state can provide the highest level of  
29 service in this area. The legislature further intends to eliminate  
30 many of the policy and planning functions of the higher education

1 coordinating board and rededicate those resources to the higher  
2 education institutions that provide the core, front-line services  
3 associated with instruction and research. Given the unprecedented  
4 budget crises the state is facing, the state must take the opportunity  
5 to build on the recommendations of the board and use the dollars where  
6 they can make the most direct impact.

7 **PART I**

8 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

9 **Sec. 101.** RCW 28B.76.020 and 2010 c 245 s 4 are each amended to  
10 read as follows:

11 The definitions in this section apply throughout this chapter  
12 unless the context clearly requires otherwise.

13 (1) (~~("Board" means the higher education coordinating board.)~~)

14 "Council" means the council for higher education.

15 (2) "Four-year institutions" means the University of Washington,  
16 Washington State University, Central Washington University, Eastern  
17 Washington University, Western Washington University, and The Evergreen  
18 State College.

19 (3) "Major expansion" means expansion of the higher education  
20 system that requires significant new capital investment, including  
21 building new institutions, campuses, branches, or centers or conversion  
22 of existing campuses, branches, or centers that would result in a  
23 mission change.

24 (4) "Mission change" means a change in the level of degree awarded  
25 or institutional type not currently authorized in statute.

26 (5) "Office" means the office of student financial assistance.

27 **Sec. 102.** RCW 28B.76.090 and 2007 c 458 s 102 are each amended to  
28 read as follows:

29 (1) The office of student financial assistance is created.

30 (2) The purpose of the office is to administer state and federal  
31 financial aid and other education services programs, including the  
32 advanced college tuition payment program in chapter 28B.95 RCW, in a  
33 cost-effective manner.

34 (3) The (~~board~~) office shall employ a director (~~and may delegate~~  
35 agency management to the director. The director)) who shall serve at

1 the pleasure of the (~~board, shall be the executive officer of the~~  
2 ~~board, and shall, under the board's supervision,~~) governor and shall  
3 administer the provisions of this chapter. The (~~executive~~) director  
4 shall(~~, with the approval of the board~~): (~~(1)~~) (a) Employ  
5 necessary deputy and assistant directors and other exempt staff under  
6 chapter 41.06 RCW who shall serve at his or her pleasure on such terms  
7 and conditions as he or she determines and (~~(2)~~) (b) subject to the  
8 provisions of chapter 41.06 RCW, appoint and employ such other  
9 employees as may be required for the proper discharge of the functions  
10 of the (~~board. The executive director shall exercise such additional~~  
11 ~~powers, other than rule making, as may be delegated by the board by~~  
12 ~~resolution. In fulfilling the duties under this chapter, the board~~  
13 ~~shall make extensive use of those state agencies with responsibility~~  
14 ~~for implementing and supporting postsecondary education plans and~~  
15 ~~policies including but not limited to appropriate legislative groups,~~  
16 ~~the postsecondary education institutions, the office of financial~~  
17 ~~management, the workforce training and education coordinating board,~~  
18 ~~the state board for community and technical colleges, and the office of~~  
19 ~~the superintendent of public instruction. Outside consulting and~~  
20 ~~service agencies may also be employed. The board may compensate these~~  
21 ~~groups and consultants in appropriate ways~~) office.

22 **Sec. 103.** RCW 28B.76.120 and 1985 c 370 s 8 are each amended to  
23 read as follows:

24 The (~~board~~) office shall have authority to adopt rules as  
25 necessary to implement this chapter.

26 **Sec. 104.** RCW 28B.76.210 and 2010 c 245 s 10 are each amended to  
27 read as follows:

28 (1) The board shall collaborate with the four-year institutions  
29 including the council of presidents, the community and technical  
30 college system, and when appropriate the workforce training and  
31 education coordinating board, the superintendent of public instruction,  
32 and the independent higher educational institutions to identify budget  
33 priorities and levels of funding for higher education, including the  
34 two and four-year institutions of higher education and state financial  
35 aid programs. It is the intent of the legislature that recommendations

1 from the board reflect not merely the sum of budget requests from  
2 multiple institutions, but prioritized funding needs for the overall  
3 system of higher education.

4 (2) By December of each odd-numbered year, the board shall  
5 distribute guidelines which outline the board's fiscal priorities to  
6 the institutions and the state board for community and technical  
7 colleges.

8 (a) The institutions and the state board for community and  
9 technical colleges shall submit an outline of their proposed operating  
10 budgets to the board no later than July 1st of each even-numbered year.  
11 Pursuant to guidelines developed by the board, operating budget  
12 outlines submitted by the institutions and the state board for  
13 community and technical colleges after January 1, 2007, shall include  
14 all policy changes and enhancements that will be requested by the  
15 institutions and the state board for community and technical colleges  
16 in their respective biennial budget requests. Operating budget  
17 outlines shall include a description of each policy enhancement, the  
18 dollar amount requested, and the fund source being requested.

19 (b) Capital budget outlines for the two-year institutions shall be  
20 submitted by August 15th of each even-numbered year, and shall include  
21 the prioritized ranking of the capital projects being requested, a  
22 description of each capital project, and the amount and fund source  
23 being requested.

24 (c) Capital budget outlines for the four-year institutions must be  
25 submitted by August 15th of each even-numbered year, and must include:  
26 The institutions' priority ranking of the project; the capital budget  
27 category within which the project will be submitted to the office of  
28 financial management in accordance with RCW 43.88D.010; a description  
29 of each capital project; and the amount and fund source being  
30 requested.

31 (d) The office of financial management shall reference these  
32 reporting requirements in its budget instructions.

33 (3) The board shall review and evaluate the operating and capital  
34 budget requests from four-year institutions and the community and  
35 technical college system based on how the requests align with the  
36 board's budget priorities, the missions of the institutions, and the  
37 statewide strategic master plan for higher education under RCW  
38 28B.76.200.

1 (4) The board shall submit recommendations on the proposed  
2 operating budget and priorities to the office of financial management  
3 by October 1st of each even-numbered year, and to the legislature by  
4 January 1st of each odd-numbered year.

5 (5)(a) The board's capital budget recommendations for the community  
6 and technical college system and the four-year institutions must be  
7 submitted to the office of financial management and to the legislature  
8 by November 15th of each even-numbered year. ((The board's  
9 recommendations for the four-year institutions must include a single,  
10 prioritized list of the major projects that the board recommends be  
11 funded with state bond and building account appropriations during the  
12 forthcoming fiscal biennium. In developing this single prioritized  
13 list, the board shall:

14 (a) Seek to identify the combination of projects that will most  
15 cost-effectively achieve the state's goals. These goals include  
16 increasing baccalaureate and graduate degree production, particularly  
17 in high-demand fields; promoting economic development through research  
18 and innovation; providing quality, affordable educational environments;  
19 preserving existing assets; and maximizing the efficient utilization of  
20 instructional space;

21 (b) Be guided by the objective analysis and scoring of capital  
22 budget projects completed by the office of financial management  
23 pursuant to chapter 43.88D RCW;

24 (c) Anticipate (i) that state bond and building account  
25 appropriations continue at the same level during each of the two  
26 subsequent fiscal biennia as has actually been appropriated for the  
27 baccalaureate institutions during the current one; (ii) that major  
28 projects funded for design during a biennium are funded for  
29 construction during the subsequent one before state appropriations are  
30 provided for new major projects; and (iii) that minor health, safety,  
31 code, and preservation projects are funded at the same average level as  
32 in recent biennia before state appropriations are provided for new  
33 major projects.))

34 (b) The board shall develop one prioritized list of capital  
35 projects for the legislature to consider that includes all of the  
36 projects requested by the four-year institutions of higher education  
37 that were scored by the office of financial management pursuant to

1 chapter 43.88D RCW, including projects that were previously scored but  
2 not funded. The prioritized list of capital projects shall be based on  
3 the following priorities in the following order:

4 (i) Office of financial management scores pursuant to chapter  
5 43.88D RCW;

6 (ii) Preserving assets;

7 (iii) Degree production; and

8 (iv) Maximizing efficient use of instructional space.

9 (c) The board shall include all of the capital projects requested  
10 by the four-year institutions of higher education, except for the minor  
11 works projects, in the prioritized list of capital projects provided to  
12 the legislature.

13 (d) The form of the prioritized list for capital projects requested  
14 by the four-year institutions of higher education shall be provided as  
15 one list, ranked in priority order with the highest priority project  
16 ranked number "1" through the lowest priority project numbered last.  
17 The ranking for the prioritized list of capital projects may not:

18 (i) Include subpriorities;

19 (ii) Be organized by category;

20 (iii) Assume any state bond or building account biennial funding  
21 level to prioritize the list; or

22 (iv) Assume any specific share of projects by institution in the  
23 priority list.

24 (6) Institutions and the state board for community and technical  
25 colleges shall submit any supplemental budget requests and revisions to  
26 the board at the same time they are submitted to the office of  
27 financial management. The board shall submit recommendations on the  
28 proposed supplemental budget requests to the office of financial  
29 management by November 1st and to the legislature by January 1st.

30 **Sec. 105.** RCW 28B.76.310 and 2004 c 275 s 15 are each amended to  
31 read as follows:

32 (1) The board, in consultation with the house of representatives  
33 and senate committees responsible for higher education, the respective  
34 fiscal committees of the house of representatives and senate, the  
35 office of financial management, the state board for community and  
36 technical colleges, and the state institutions of higher education,  
37 shall develop standardized methods and protocols for measuring the

1 undergraduate and graduate educational costs for the state  
2 universities, regional universities, and community colleges, including  
3 but not limited to the costs of instruction, costs to provide degrees  
4 in specific fields, and costs for precollege remediation.

5 ~~(2) ((By December 1, 2004, the board must propose a schedule of~~  
6 ~~regular cost study reports intended to meet the information needs of~~  
7 ~~the governor's office and the legislature and the requirements of RCW~~  
8 ~~28B.76.300 and submit the proposed schedule to the higher education and~~  
9 ~~fiscal committees of the house of representatives and the senate for~~  
10 ~~their review.~~

11 ~~(3))~~ The institutions of higher education shall participate in the  
12 development of cost study methods and shall provide all necessary data  
13 in a timely fashion consistent with the protocols developed.

14 **Sec. 106.** RCW 28B.76.500 and 2009 c 215 s 7 are each amended to  
15 read as follows:

16 (1) The ~~((board))~~ office shall administer any state program or  
17 state-administered federal program of student financial aid now or  
18 hereafter established.

19 (2) Each of the student financial aid programs administered by the  
20 ~~((board))~~ office shall be labeled an "opportunity pathway." Loans  
21 provided by the federal government and aid granted to students outside  
22 of the financial aid package provided through institutions of higher  
23 education are not subject to the labeling provisions in this  
24 subsection. All communication materials, including, but not limited  
25 to, printed materials, presentations, and web content, shall include  
26 the "opportunity pathway" label.

27 (3) If the ~~((board))~~ office develops a one-stop college information  
28 web-based portal that includes financial, academic, and career planning  
29 information, the portal shall display all available student financial  
30 aid programs, except federal student loans and aid granted to students  
31 outside of the financial aid package provided through institutions of  
32 higher education, under the "opportunity pathway" label. The portal  
33 shall also display information regarding federal tax credits related to  
34 higher education available for students or their families.

35 (4) The labeling requirements in this section do not change the  
36 source, eligibility requirements, or student obligations associated  
37 with each program. The ~~((board))~~ office shall customize its

1 communications to differentiate between programs, eligibility  
2 requirements, and student obligations, so long as the reporting  
3 provisions of this chapter are also fulfilled.

4 **Sec. 107.** RCW 28B.76.505 and 2007 c 73 s 1 are each amended to  
5 read as follows:

6 (1) The investment of funds from all scholarship endowment programs  
7 administered by the (~~higher-education-coordinating-board~~) office  
8 shall be managed by the state investment board.

9 (2) The state investment board has the full power to invest,  
10 reinvest, manage, contract, sell, or exchange investment money in  
11 scholarship endowment funds. All investment and operating costs  
12 associated with the investment of a scholarship endowment fund shall be  
13 paid pursuant to RCW 43.33A.160 and 43.84.160. With the exception of  
14 these expenses, the earnings from the investments of the fund belong to  
15 the fund.

16 (3) Funds from all scholarship endowment programs administered by  
17 the board shall be in the custody of the state treasurer.

18 (4) All investments made by the state investment board shall be  
19 made with the exercise of that degree of judgment and care pursuant to  
20 RCW 43.33A.140 and the investment policies established by the state  
21 investment board.

22 (5) As deemed appropriate by the state investment board, money in  
23 a scholarship endowment fund may be commingled for investment with  
24 other funds subject to investment by the state investment board.

25 (6) The authority to establish all policies relating to scholarship  
26 endowment funds, other than the investment policies in subsections (2)  
27 through (5) of this section, resides with the (~~higher-education~~  
28 ~~coordinating-board~~) office.

29 (7) The (~~higher-education-coordinating-board~~) office may request  
30 and accept moneys from the state investment board. With the exception  
31 of expenses of the state investment board in subsection (2) of this  
32 section, disbursements from the fund shall be made only on the  
33 authorization of the (~~higher-education-coordinating-board,~~) office  
34 and money in the fund may be spent only for the purposes of the  
35 endowment programs as specified in the authorizing chapter of each  
36 program.

1 (8) The state investment board shall routinely consult and  
2 communicate with the ((higher education coordinating board)) office on  
3 the investment policy, earnings of the scholarship endowment funds, and  
4 related needs of the programs.

5 **Sec. 108.** RCW 28B.76.510 and 1985 c 370 s 21 are each amended to  
6 read as follows:

7 The ((board)) office shall administer any federal act pertaining to  
8 higher education which is not administered by another state agency.

9 **Sec. 109.** RCW 28B.76.520 and 1985 c 370 s 22 are each amended to  
10 read as follows:

11 The ((board)) office is authorized to receive and expend federal  
12 funds and any private gifts or grants, such federal funds or private  
13 funds to be expended in accordance with the conditions contingent in  
14 such grant thereof.

15 **Sec. 110.** RCW 28B.76.525 and 2005 c 139 s 1 are each amended to  
16 read as follows:

17 (1) The state financial aid account is created in the custody of  
18 the state treasurer. The primary purpose of the account is to ensure  
19 that all appropriations designated for financial aid through statewide  
20 student financial aid programs are made available to eligible students.  
21 The account shall be a nontreasury account.

22 (2) The ((higher education coordinating board)) office shall  
23 deposit in the account all money received for the state need grant  
24 program established under RCW 28B.92.010, the state work-study program  
25 established under chapter 28B.12 RCW, the Washington scholars program  
26 established under RCW 28A.600.110, the Washington award for vocational  
27 excellence program established under RCW 28C.04.525, and the  
28 educational opportunity grant program established under chapter 28B.101  
29 RCW. The account shall consist of funds appropriated by the  
30 legislature for the programs listed in this subsection and private  
31 contributions to the programs. Moneys deposited in the account do not  
32 lapse at the close of the fiscal period for which they were  
33 appropriated. Both during and after the fiscal period in which moneys  
34 were deposited in the account, the ((board)) office may expend moneys

1 in the account only for the purposes for which they were appropriated,  
2 and the expenditures are subject to any other conditions or limitations  
3 placed on the appropriations.

4 (3) Expenditures from the account shall be used for scholarships to  
5 students eligible for the programs according to program rules and  
6 policies.

7 (4) Disbursements from the account are exempt from appropriations  
8 and the allotment provisions of chapter 43.88 RCW.

9 (5) Only the (~~executive~~) director of the (~~higher-education~~  
10 ~~coordinating-board~~) office or the (~~executive~~) director's designee  
11 may authorize expenditures from the account.

12 **Sec. 111.** RCW 28B.76.540 and 2004 c 275 s 18 are each amended to  
13 read as follows:

14 In addition to administrative responsibilities assigned in this  
15 chapter, the (~~board~~) office shall administer the programs set forth  
16 in the following statutes: RCW 28A.600.100 through 28A.600.150  
17 (Washington scholars); chapter 28B.85 RCW (degree-granting  
18 institutions); chapter 28B.92 RCW (state need grant); chapter 28B.12  
19 RCW (work study); RCW 28B.15.543 (tuition waivers for Washington  
20 scholars); RCW 28B.15.760 through 28B.15.766 (math and science loans);  
21 RCW 28B.15.100 (reciprocity agreement); RCW 28B.15.730 through  
22 (~~28B.15.736~~) 28B.15.734 (Oregon reciprocity); RCW 28B.15.750  
23 (~~through 28B.15.754~~) and 28B.15.752 (Idaho reciprocity); RCW  
24 28B.15.756 (~~and 28B.15.758~~) (British Columbia reciprocity); chapter  
25 28B.101 RCW (educational opportunity grant); chapter 28B.102 RCW  
26 (future teachers conditional scholarship); chapter 28B.108 RCW  
27 (American Indian endowed scholarship); chapter 28B.109 RCW (Washington  
28 international exchange scholarship); chapter 28B.115 RCW (health  
29 professional conditional scholarship); chapter 28B.119 RCW (Washington  
30 promise scholarship); and chapter 28B.133 RCW (gaining independence for  
31 students with dependents).

32 **Sec. 112.** RCW 28B.76.560 and 1987 c 8 s 2 are each amended to read  
33 as follows:

34 The Washington distinguished professorship trust fund program is  
35 established.

1 The program shall be administered by the (~~higher-education~~  
2 ~~coordinating board~~) office.

3 The trust fund shall be administered by the state treasurer.

4 **Sec. 113.** RCW 28B.76.565 and 2010 1st sp.s. c 37 s 915 are each  
5 amended to read as follows:

6 Funds appropriated by the legislature for the distinguished  
7 professorship program shall be deposited in the distinguished  
8 professorship trust fund. At the request of the (~~higher-education~~  
9 ~~coordinating board~~) office under RCW 28B.76.575, the treasurer shall  
10 release the state matching funds to the designated institution's local  
11 endowment fund. No appropriation is required for expenditures from the  
12 fund. During the 2009-2011 fiscal biennium, the legislature may  
13 transfer from the distinguished professorship trust fund to the state  
14 general fund such amounts as reflect the excess fund balance in the  
15 account.

16 **Sec. 114.** RCW 28B.76.570 and 1987 c 8 s 4 are each amended to read  
17 as follows:

18 In consultation with the eligible institutions of higher education,  
19 the (~~higher-education-coordinating board~~) office shall set guidelines  
20 for the program. These guidelines may include an allocation system  
21 based on factors which include but are not limited to: The amount of  
22 money available in the trust fund; characteristics of the institutions  
23 including the size of the faculty and student body; and the number of  
24 professorships previously received.

25 Any allocation system shall be superseded by conditions in any act  
26 of the legislature appropriating funds for this program.

27 **Sec. 115.** RCW 28B.76.575 and 1988 c 125 s 3 are each amended to  
28 read as follows:

29 All state four-year institutions of higher education shall be  
30 eligible for matching trust funds. An institution may apply to the  
31 (~~higher-education-coordinating board~~) office for two hundred fifty  
32 thousand dollars from the fund when the institution can match the state  
33 funds with an equal amount of pledged or contributed private donations  
34 or with funds received through legislative appropriation specifically  
35 for the G. Robert Ross distinguished faculty award and designated as

1 being qualified to be matched from trust fund moneys. These donations  
2 shall be made specifically to the professorship program, and shall be  
3 donated after July 1, 1985.

4 Upon an application by an institution, the (~~board~~) office may  
5 designate two hundred fifty thousand dollars from the trust fund for  
6 that institution's pledged professorship. If the pledged two hundred  
7 fifty thousand dollars is not received within three years, the  
8 (~~board~~) office shall make the designated funds available for another  
9 pledged professorship.

10 Once the private donation is received by the institution, the  
11 (~~higher-education-coordinating-board~~) office shall ask the state  
12 treasurer to release the state matching funds to a local endowment fund  
13 established by the institution for the professorship.

14 **Sec. 116.** RCW 28B.76.605 and 1987 c 147 s 2 are each amended to  
15 read as follows:

16 The Washington graduate fellowship trust fund program is  
17 established. The program shall be administered by the (~~higher  
18 education-coordinating-board~~) office. The trust fund shall be  
19 administered by the state treasurer.

20 **Sec. 117.** RCW 28B.76.610 and 2010 1st sp.s. c 37 s 916 are each  
21 amended to read as follows:

22 Funds appropriated by the legislature for the graduate fellowship  
23 program shall be deposited in the graduate fellowship trust fund. At  
24 the request of the (~~higher-education-coordinating-board~~) office under  
25 RCW 28B.76.620, the treasurer shall release the state matching funds to  
26 the designated institution's local endowment fund. No appropriation is  
27 required for expenditures from the fund. During the 2009-2011 fiscal  
28 biennium, the legislature may transfer from the graduate fellowship  
29 trust fund to the state general fund such amounts as reflect the excess  
30 fund balance in the account.

31 **Sec. 118.** RCW 28B.76.615 and 1987 c 147 s 4 are each amended to  
32 read as follows:

33 In consultation with eligible institutions of higher education, the  
34 (~~higher-education-coordinating-board~~) office shall set guidelines for  
35 the program. These guidelines may include an allocation system based

1 on factors which include but are not limited to: The amount of money  
2 available in the trust fund; characteristics of the institutions  
3 including the size of the faculty and student body; and the number of  
4 fellowships previously received.

5 Any allocation system shall be superseded by conditions in any  
6 legislative act appropriating funds for the program.

7 **Sec. 119.** RCW 28B.76.620 and 1987 c 147 s 5 are each amended to  
8 read as follows:

9 (1) All state four-year institutions of higher education shall be  
10 eligible for matching trust funds. Institutions may apply to the  
11 (~~higher education coordinating board~~) office for twenty-five thousand  
12 dollars from the fund when they can match the state funds with equal  
13 pledged or contributed private donations. These donations shall be  
14 made specifically to the graduate fellowship program, and shall be  
15 donated after July 1, 1987.

16 (2) Upon an application by an institution, the (~~board~~) office may  
17 designate twenty-five thousand dollars from the trust fund for that  
18 institution's pledged graduate fellowship fund. If the pledged twenty-  
19 five thousand dollars is not received within two years, the (~~board~~)  
20 office shall make the designated funds available for another pledged  
21 graduate fellowship fund.

22 (3) Once the private donation is received by the institution, the  
23 (~~higher education coordinating board~~) office shall ask the state  
24 treasurer to release the state matching funds to a local endowment fund  
25 established by the institution for the graduate fellowships.

26 **Sec. 120.** RCW 28B.76.640 and 1985 c 370 s 17 are each amended to  
27 read as follows:

28 The (~~board~~) office is hereby specifically directed to develop  
29 such state plans as are necessary to coordinate the state of  
30 Washington's participation within the student exchange compact programs  
31 under the auspices of the Western Interstate Commission for Higher  
32 Education, as provided by chapter 28B.70 RCW. In addition to  
33 establishing such plans the (~~board~~) office shall designate the state  
34 certifying officer for student programs.

1       **Sec. 121.** RCW 28B.76.645 and 2004 c 275 s 23 are each amended to  
2 read as follows:

3       In the development of any such plans as called for within RCW  
4 28B.76.640, the ((board)) office shall use at least the following  
5 criteria:

6       (1) Students who are eligible to attend compact-authorized programs  
7 in other states shall meet the Washington residency requirements of  
8 chapter 28B.15 RCW prior to being awarded tuition assistance.

9       (2) For recipients named after January 1, 1995, the tuition  
10 assistance shall be in the form of loans that may be completely  
11 forgiven in exchange for the student's service within the state of  
12 Washington after graduation. The requirements for such service and  
13 provisions for loan forgiveness shall be determined in rules adopted by  
14 the ((board)) office.

15       (3) If appropriations are insufficient to fund all students  
16 qualifying under subsection (1) of this section, then the plans shall  
17 include criteria for student selection that would be in the best  
18 interest in meeting the state's educational needs, as well as  
19 recognizing the financial needs of students.

20       (4) Receipts from the payment of principal or interest or any other  
21 subsidies to which the ((board)) office as administrator is entitled,  
22 that are paid by or on behalf of participants under this section, shall  
23 be deposited with the ((board)) office and placed in an account created  
24 in this section and shall be used to cover the costs of granting the  
25 scholarships, maintaining necessary records, and making collections.  
26 The ((board)) office shall maintain accurate records of these costs,  
27 and all receipts beyond those necessary to pay such costs shall be used  
28 to grant conditional loans to eligible students.

29       (5) The Washington interstate commission on higher education  
30 professional student exchange program trust fund is created in the  
31 custody of the state treasurer. All receipts from loan repayment shall  
32 be deposited into the fund. Only the ((higher education coordinating  
33 board)) office, or its designee, may authorize expenditures from the  
34 fund. No appropriation is required for expenditures from this fund.

35       **Sec. 122.** RCW 28B.76.650 and 1985 c 370 s 19 are each amended to  
36 read as follows:

37       The ((board)) office shall periodically advise the governor and the

1 legislature of the policy implications of the state of Washington's  
2 participation in the Western Interstate Commission for Higher Education  
3 student exchange programs as they affect long-range planning for post-  
4 secondary education, together with recommendations on the most  
5 efficient way to provide high cost or special educational programs to  
6 Washington residents.

7 **Sec. 123.** RCW 28B.76.660 and 2005 c 518 s 917 are each amended to  
8 read as follows:

9 (1) Recipients of the Washington scholars award or the Washington  
10 scholars-alternate award under RCW 28A.600.100 through 28A.600.150 who  
11 choose to attend an independent college or university in this state, as  
12 defined in subsection (4) of this section, and recipients of the award  
13 named after June 30, 1994, who choose to attend a public college or  
14 university in the state may receive grants under this section if moneys  
15 are available. The (~~higher-education-coordinating-board~~) office  
16 shall distribute grants to eligible students under this section from  
17 moneys appropriated for this purpose. The individual grants shall not  
18 exceed, on a yearly basis, the yearly, full-time, resident,  
19 undergraduate tuition and service and activities fees in effect at the  
20 state-funded research universities. Grants to recipients attending an  
21 independent institution shall be contingent upon the institution  
22 matching on at least a dollar-for-dollar basis, either with actual  
23 money or by a waiver of fees, the amount of the grant received by the  
24 student from the state. The (~~higher-education-coordinating-board~~)  
25 office shall establish procedures, by rule, to disburse the awards as  
26 direct grants to the students.

27 (2) The (~~higher-education-coordinating-board~~) office shall  
28 establish rules that provide for the annual awarding of grants, if  
29 moneys are available, to three Washington scholars per legislative  
30 district except for fiscal year 2007 when no more than two scholars per  
31 district shall be selected; and, if not used by an original recipient,  
32 to the Washington scholars-alternate from the same legislative  
33 district.

34 Beginning with scholars selected in the year 2000, if the  
35 recipients of grants fail to demonstrate in a timely manner that they  
36 will enroll in a Washington institution of higher education in the fall  
37 term of the academic year following the award of the grant or are

1 deemed by the (~~higher education coordinating board~~) office to have  
2 withdrawn from college during the first academic year following the  
3 award, then the grant shall be considered relinquished. The (~~higher  
4 education coordinating board~~) office may then award any remaining  
5 grant amounts to the Washington scholars-alternate from the same  
6 legislative district if the grants are awarded within one calendar year  
7 of the recipient being named a Washington scholars-alternate.  
8 Washington scholars-alternates named as recipients of the grant must  
9 also demonstrate in a timely manner that they will enroll in a  
10 Washington institution of higher education during the next available  
11 term, as determined by the (~~higher education coordinating board~~)  
12 office. The (~~board~~) office may accept appeals and grant waivers to  
13 the enrollment requirements of this section based on exceptional  
14 mitigating circumstances of individual grant recipients.

15 To maintain eligibility for the grants, recipients must maintain a  
16 minimum grade point average at the college or university equivalent to  
17 3.30. Students shall be eligible to receive a maximum of twelve  
18 quarters or eight semesters of grants for undergraduate study and may  
19 transfer among in-state public and independent colleges and  
20 universities during that period and continue to receive the grant as  
21 provided under RCW 28B.76.665. If the student's cumulative grade point  
22 average falls below 3.30 during the first three quarters or two  
23 semesters, that student may petition the (~~higher education  
24 coordinating board~~) office which shall have the authority to establish  
25 a probationary period until such time as the student's grade point  
26 average meets required standards.

27 (3) No grant shall be awarded to any student who is pursuing a  
28 degree in theology.

29 (4) As used in this section, "independent college or university"  
30 means a private, nonprofit educational institution, the main campus of  
31 which is permanently situated in the state, open to residents of the  
32 state, providing programs of education beyond the high school level  
33 leading at least to the baccalaureate degree, and accredited by the  
34 northwest association of schools and colleges as of June 9, 1988, and  
35 other institutions as may be developed that are approved by the  
36 (~~higher education coordinating board~~) office of financial management  
37 as meeting equivalent standards as those institutions accredited under  
38 this section.

1 (5) As used in this section, "public college or university" means  
2 an institution of higher education as defined in RCW 28B.10.016.

3 **Sec. 124.** RCW 28B.76.670 and 1995 1st sp.s. c 7 s 8 are each  
4 amended to read as follows:

5 (1) Recipients of the Washington award for vocational excellence  
6 under RCW 28C.04.520 through 28C.04.550, who receive the award after  
7 June 30, 1994, may receive a grant, if funds are available. The grant  
8 shall be used to attend a postsecondary institution located in the  
9 state of Washington. Recipients may attend an institution of higher  
10 education as defined in RCW 28B.10.016, or an independent college or  
11 university, or a licensed private vocational school. The (~~higher  
12 education-coordinating-board~~) office shall distribute grants to  
13 eligible students under this section from moneys appropriated for this  
14 purpose. The individual grants shall not exceed, on a yearly basis,  
15 the yearly, full-time, resident, undergraduate tuition and service and  
16 activities fees in effect at the state-funded research universities.  
17 In consultation with the workforce training and education coordinating  
18 board, the (~~higher-education-coordinating-board~~) office shall  
19 establish procedures, by rule, to disburse the awards as direct grants  
20 to the students.

21 (2) To qualify for the grant, recipients shall enter the  
22 postsecondary institution within three years of high school graduation  
23 and maintain a minimum grade point average at the institution  
24 equivalent to 3.00, or, at a technical college, an above average  
25 rating. Students shall be eligible to receive a maximum of two years  
26 of grants for undergraduate study and may transfer among in-state  
27 eligible postsecondary institutions during that period and continue to  
28 receive the grant.

29 (3) No grant may be awarded to any student who is pursuing a degree  
30 in theology.

31 (4) As used in this section, "independent college or university"  
32 means a private, nonprofit educational institution, the main campus of  
33 which is permanently situated in the state, open to residents of the  
34 state, providing programs of education beyond the high school level  
35 leading at least to the baccalaureate degree, and accredited by the  
36 Northwest association of schools and colleges as of June 9, 1988, and

1 other institutions as may be developed that are approved by the higher  
2 education coordinating board as meeting equivalent standards as those  
3 institutions accredited under this section.

4 (5) As used in this section, "licensed private vocational school"  
5 means a private postsecondary institution, located in the state,  
6 licensed by the workforce training and education coordinating board  
7 under chapter 28C.10 RCW, and offering postsecondary education in order  
8 to prepare persons for a vocation or profession, as defined in RCW  
9 28C.10.020(7).

10 **Sec. 125.** RCW 28B.76.690 and 2003 c 159 s 3 are each amended to  
11 read as follows:

12 The ((~~higher education coordinating board~~)) office shall administer  
13 Washington's participation in the border county higher education  
14 opportunity project.

15 **Sec. 126.** RCW 28A.600.120 and 1985 c 370 s 32 are each amended to  
16 read as follows:

17 The ((~~higher education coordinating board~~)) office of student  
18 financial assistance shall have the responsibility for administration  
19 of the Washington scholars program. The program will be developed  
20 cooperatively with the Washington association of secondary school  
21 principals, a voluntary professional association of secondary school  
22 principals. The cooperation of other state agencies and private  
23 organizations having interest and responsibility in public and private  
24 education shall be sought for planning assistance.

25 **Sec. 127.** RCW 28A.600.130 and 2006 c 263 s 916 are each amended to  
26 read as follows:

27 The ((~~higher education coordinating board~~)) office of student  
28 financial assistance shall establish a planning committee to develop  
29 criteria for screening and selection of the Washington scholars each  
30 year in accordance with RCW 28A.600.110(1). It is the intent that  
31 these criteria shall emphasize scholastic achievement but not exclude  
32 such criteria as leadership ability and community contribution in final  
33 selection procedures. The Washington scholars planning committee shall  
34 have members from selected state agencies and private organizations  
35 having an interest and responsibility in education, including but not

1 limited to, the office of superintendent of public instruction, the  
2 council of presidents, the state board for community and technical  
3 colleges, and the Washington friends of higher education.

4 **Sec. 128.** RCW 28A.600.140 and 1990 c 33 s 501 are each amended to  
5 read as follows:

6 Each year on or before March 1st, the Washington association of  
7 secondary school principals shall submit to the (~~higher-education~~  
8 ~~coordinating-board~~) office of student financial assistance the names  
9 of graduating senior high school students who have been identified and  
10 recommended to be outstanding in academic achievement by their school  
11 principals based on criteria to be established under RCW 28A.600.130.

12 **Sec. 129.** RCW 28A.600.150 and 2005 c 518 s 916 are each amended to  
13 read as follows:

14 Each year, three Washington scholars and one Washington scholars-  
15 alternate shall be selected from the students nominated under RCW  
16 28A.600.140, except that during fiscal year 2007, no more than two  
17 scholars plus one alternate may be selected. The (~~higher-education~~  
18 ~~coordinating-board~~) office of student financial assistance shall  
19 notify the students so designated, their high school principals, the  
20 legislators of their respective districts, and the governor when final  
21 selections have been made.

22 The (~~board~~) office, in conjunction with the governor's office,  
23 shall prepare appropriate certificates to be presented to the  
24 Washington scholars and the Washington scholars-alternates. An awards  
25 ceremony at an appropriate time and place shall be planned by the  
26 (~~board~~) office in cooperation with the Washington association of  
27 secondary school principals, and with the approval of the governor.

28 **Sec. 130.** RCW 28A.230.125 and 2009 c 556 s 9 are each amended to  
29 read as follows:

30 (1) The superintendent of public instruction, in consultation with  
31 the (~~higher-education-coordinating-board~~) four-year institutions as  
32 defined in RCW 28B.76.020, the state board for community and technical  
33 colleges, and the workforce training and education coordinating board,  
34 shall develop for use by all public school districts a standardized  
35 high school transcript. The superintendent shall establish clear

1 definitions for the terms "credits" and "hours" so that school programs  
2 operating on the quarter, semester, or trimester system can be  
3 compared.

4 (2) The standardized high school transcript shall include a  
5 notation of whether the student has earned a certificate of individual  
6 achievement or a certificate of academic achievement.

7 **Sec. 131.** RCW 28A.600.285 and 2009 c 450 s 4 are each amended to  
8 read as follows:

9 The superintendent of public instruction and the (~~higher education~~  
10 ~~coordinating board~~) office of student financial assistance shall  
11 develop advising guidelines to assure that students and parents  
12 understand that college credits earned in high school dual credit  
13 programs may impact eligibility for financial aid.

14 **Sec. 132.** RCW 28A.630.400 and 2006 c 263 s 815 are each amended to  
15 read as follows:

16 (1) The professional educator standards board and the state board  
17 for community and technical colleges, in consultation with the  
18 superintendent of public instruction, (~~the higher education~~  
19 ~~coordinating board,~~) the state apprenticeship training council, and  
20 community colleges, shall adopt rules as necessary under chapter 34.05  
21 RCW to implement the paraeducator associate of arts degree.

22 (2) As used in this section, a "paraeducator" is an individual who  
23 has completed an associate of arts degree for a paraeducator. The  
24 paraeducator may be hired by a school district to assist certificated  
25 instructional staff in the direct instruction of children in small and  
26 large groups, individualized instruction, testing of children,  
27 recordkeeping, and preparation of materials. The paraeducator shall  
28 work under the direction of instructional certificated staff.

29 (3) The training program for a paraeducator associate of arts  
30 degree shall include, but is not limited to, the general requirements  
31 for receipt of an associate of arts degree and training in the areas of  
32 introduction to childhood education, orientation to children with  
33 disabilities, fundamentals of childhood education, creative activities  
34 for children, instructional materials for children, fine art  
35 experiences for children, the psychology of learning, introduction to

1 education, child health and safety, child development and guidance,  
2 first aid, and a practicum in a school setting.

3 (4) Consideration shall be given to transferability of credit  
4 earned in this program to teacher preparation programs at colleges and  
5 universities.

6 **Sec. 133.** RCW 28A.650.015 and 2009 c 556 s 17 are each amended to  
7 read as follows:

8 (1) The superintendent of public instruction, to the extent funds  
9 are appropriated, shall develop and implement a Washington state K-12  
10 education technology plan. The technology plan shall be updated on at  
11 least a biennial basis, shall be developed to coordinate and expand the  
12 use of education technology in the common schools of the state. The  
13 plan shall be consistent with applicable provisions of chapter 43.105  
14 RCW. The plan, at a minimum, shall address:

15 (a) The provision of technical assistance to schools and school  
16 districts for the planning, implementation, and training of staff in  
17 the use of technology in curricular and administrative functions;

18 (b) The continued development of a network to connect school  
19 districts, institutions of higher learning, and other sources of online  
20 information; and

21 (c) Methods to equitably increase the use of education technology  
22 by students and school personnel throughout the state.

23 (2) The superintendent of public instruction shall appoint an  
24 educational technology advisory committee to assist in the development  
25 and implementation of the technology plan in subsection (1) of this  
26 section. The committee shall include, but is not limited to, persons  
27 representing: The department of information services, educational  
28 service districts, school directors, school administrators, school  
29 principals, teachers, classified staff, higher education faculty,  
30 parents, students, business, labor, scientists and mathematicians,  
31 (~~the higher education coordinating board,~~) the workforce training and  
32 education coordinating board, and the state library.

33 (3) The plan adopted and implemented under this section may not  
34 impose on school districts any requirements that are not specifically  
35 required by federal law or regulation, including requirements to  
36 maintain eligibility for the federal schools and libraries program of  
37 the universal service fund.

1       **Sec. 134.** RCW 28A.660.050 and 2010 c 235 s 505 are each amended to  
2 read as follows:

3       Subject to the availability of amounts appropriated for these  
4 purposes, the conditional scholarship programs in this chapter are  
5 created under the following guidelines:

6       (1) The programs shall be administered by the (~~higher education~~  
7 ~~coordinating board~~) office of student financial assistance. In  
8 administering the programs, the (~~higher education coordinating board~~)  
9 office has the following powers and duties:

10       (a) To adopt necessary rules and develop guidelines to administer  
11 the programs;

12       (b) To collect and manage repayments from participants who do not  
13 meet their service obligations; and

14       (c) To accept grants and donations from public and private sources  
15 for the programs.

16       (2) Requirements for participation in the conditional scholarship  
17 programs are as provided in this subsection (2).

18       (a) The alternative route conditional scholarship program is  
19 limited to interns of professional educator standards board-approved  
20 alternative routes to teaching programs under RCW 28A.660.040. For  
21 fiscal year 2011, priority must be given to fiscal year 2010  
22 participants in the alternative route partnership program. In order to  
23 receive conditional scholarship awards, recipients shall:

24       (i) Be accepted and maintain enrollment in alternative  
25 certification routes through a professional educator standards board-  
26 approved program;

27       (ii) Continue to make satisfactory progress toward completion of  
28 the alternative route certification program and receipt of a residency  
29 teaching certificate; and

30       (iii) Receive no more than the annual amount of the scholarship,  
31 not to exceed eight thousand dollars, for the cost of tuition, fees,  
32 and educational expenses, including books, supplies, and transportation  
33 for the alternative route certification program in which the recipient  
34 is enrolled. The board may adjust the annual award by the average rate  
35 of resident undergraduate tuition and fee increases at the state  
36 universities as defined in RCW 28B.10.016.

37       (b) The pipeline for paraeducators conditional scholarship program

1 is limited to qualified paraeducators as provided by RCW 28A.660.042.  
2 In order to receive conditional scholarship awards, recipients shall:

3 (i) Be accepted and maintain enrollment at a community and  
4 technical college for no more than two years and attain an associate of  
5 arts degree;

6 (ii) Continue to make satisfactory progress toward completion of an  
7 associate of arts degree. This progress requirement is a condition for  
8 eligibility into a route one program of the alternative routes to  
9 teacher certification program for a mathematics, special education, or  
10 English as a second language endorsement; and

11 (iii) Receive no more than the annual amount of the scholarship,  
12 not to exceed four thousand dollars, for the cost of tuition, fees, and  
13 educational expenses, including books, supplies, and transportation for  
14 the alternative route certification program in which the recipient is  
15 enrolled. The board may adjust the annual award by the average rate of  
16 tuition and fee increases at the state community and technical  
17 colleges.

18 (c) The retooling to teach mathematics and science conditional  
19 scholarship program is limited to current K-12 teachers. In order to  
20 receive conditional scholarship awards:

21 (i) Individuals currently employed as teachers shall pursue a  
22 middle level mathematics or science, or secondary mathematics or  
23 science endorsement; or

24 (ii) Individuals who are certificated with an elementary education  
25 endorsement shall pursue an endorsement in middle level mathematics or  
26 science, or both; and

27 (iii) Individuals shall use one of the pathways to endorsement  
28 processes to receive a mathematics or science endorsement, or both,  
29 which shall include passing a mathematics or science endorsement test,  
30 or both tests, plus observation and completing applicable coursework to  
31 attain the proper endorsement; and

32 (iv) Individuals shall receive no more than the annual amount of  
33 the scholarship, not to exceed three thousand dollars, for the cost of  
34 tuition, test fees, and educational expenses, including books,  
35 supplies, and transportation for the endorsement pathway being pursued.

36 (3) The Washington professional educator standards board shall  
37 select individuals to receive conditional scholarships. In selecting

1 recipients, preference shall be given to eligible veterans or national  
2 guard members.

3 (4) For the purpose of this chapter, a conditional scholarship is  
4 a loan that is forgiven in whole or in part in exchange for service as  
5 a certificated teacher employed in a Washington state K-12 public  
6 school. The state shall forgive one year of loan obligation for every  
7 two years a recipient teaches in a public school. Recipients who fail  
8 to continue a course of study leading to residency teacher  
9 certification or cease to teach in a public school in the state of  
10 Washington in their endorsement area are required to repay the  
11 remaining loan principal with interest.

12 (5) Recipients who fail to fulfill the required teaching obligation  
13 are required to repay the remaining loan principal with interest and  
14 any other applicable fees. The (~~higher education coordinating board~~)  
15 office of student financial assistance shall adopt rules to define the  
16 terms for repayment, including applicable interest rates, fees, and  
17 deferments.

18 (6) The (~~higher education coordinating board~~) office of student  
19 financial assistance may deposit all appropriations, collections, and  
20 any other funds received for the program in this chapter in the future  
21 teachers conditional scholarship account authorized in RCW 28B.102.080.

22 **Sec. 135.** RCW 28B.04.080 and 2004 c 275 s 31 are each amended to  
23 read as follows:

24 (1) The board shall consult and cooperate with the department of  
25 social and health services; (~~the higher education coordinating~~  
26 ~~board;~~) the superintendent of public instruction; the workforce  
27 training and education coordinating board; the employment security  
28 department; the department of labor and industries; sponsoring agencies  
29 under the federal comprehensive employment and training act (87 Stat.  
30 839; 29 U.S.C. Sec. 801 et seq.), and any other persons or agencies as  
31 the board deems appropriate to facilitate the coordination of centers  
32 established under this chapter with existing programs of a similar  
33 nature.

34 (2) Annually on July 1st, each agency listed in subsection (1) of  
35 this section shall submit a description of each service or program  
36 under its jurisdiction which would support the programs and centers  
37 established by this chapter and the funds available for such support.

1 (3) The board shall serve as a clearinghouse for displaced  
2 homemaker information and resources and shall compile and disseminate  
3 statewide information to the centers, related agencies, and interested  
4 persons upon request.

5 **Sec. 136.** RCW 28B.07.020 and 2007 c 218 s 86 are each amended to  
6 read as follows:

7 As used in this chapter, the following words and terms shall have  
8 the following meanings, unless the context otherwise requires:

9 (1) "Authority" means the Washington higher education facilities  
10 authority created under RCW 28B.07.030 or any board, body, commission,  
11 department or officer succeeding to the principal functions of the  
12 authority or to whom the powers conferred upon the authority shall be  
13 given by law.

14 (2) "Bonds" means bonds, notes, commercial paper, certificates of  
15 indebtedness, or other evidences of indebtedness of the authority  
16 issued under this chapter.

17 (3) "Bond resolution" means any resolution of the authority,  
18 adopted under this chapter, authorizing the issuance and sale of bonds.

19 (4) "Higher education institution" means a private, nonprofit  
20 educational institution, the main campus of which is permanently  
21 situated in the state, which is open to residents of the state, which  
22 neither restricts entry on racial or religious grounds, which provides  
23 programs of education beyond high school leading at least to the  
24 baccalaureate degree, and which is accredited by the Northwest  
25 Association of Schools and Colleges or by an accrediting association  
26 recognized by the council for higher education (~~(coordinating board)~~).

27 (5) "Participant" means a higher education institution which, under  
28 this chapter, undertakes the financing of a project or projects or  
29 undertakes the refunding or refinancing of obligations, mortgages, or  
30 advances previously incurred for a project or projects.

31 (6) "Project" means any land or any improvement, including, but not  
32 limited to, buildings, structures, fixtures, utilities, machinery,  
33 excavations, paving, and landscaping, and any interest in such land or  
34 improvements, and any personal property pertaining or useful to such  
35 land and improvements, which are necessary, useful, or convenient for  
36 the operation of a higher education institution, including but not  
37 limited to, the following: Dormitories or other multi-unit housing

1 facilities for students, faculty, officers, or employees; dining halls;  
2 student unions; administration buildings; academic buildings;  
3 libraries; laboratories; research facilities; computer facilities;  
4 classrooms; athletic facilities; health care facilities; maintenance,  
5 storage, or utility facilities; parking facilities; or any combination  
6 thereof, or any other structures, facilities, or equipment so related.

7 (7) "Project cost" means any cost related to the acquisition,  
8 construction, improvement, alteration, or rehabilitation by a  
9 participant or the authority of any project and the financing of the  
10 project through the authority, including, but not limited to, the  
11 following costs paid or incurred: Costs of acquisition of land or  
12 interests in land and any improvement; costs of contractors, builders,  
13 laborers, material suppliers, and suppliers of tools and equipment;  
14 costs of surety and performance bonds; fees and disbursements of  
15 architects, surveyors, engineers, feasibility consultants, accountants,  
16 attorneys, financial consultants, and other professionals; interest on  
17 bonds issued by the authority during any period of construction;  
18 principal of and interest on interim financing of any project; debt  
19 service reserve funds; depreciation funds, costs of the initial start-  
20 up operation of any project; fees for title insurance, document  
21 recording, or filing; fees of trustees and the authority; taxes and  
22 other governmental charges levied or assessed on any project; and any  
23 other similar costs. Except as specifically set forth in this  
24 definition, the term "project cost" does not include books, fuel,  
25 supplies, and similar items which are required to be treated as a  
26 current expense under generally accepted accounting principles.

27 (8) "Trust indenture" means any agreement, trust indenture, or  
28 other similar instrument by and between the authority and one or more  
29 corporate trustees.

30 **Sec. 137.** RCW 28B.07.030 and 2007 c 36 s 14 are each amended to  
31 read as follows:

32 (1) The Washington higher education facilities authority is hereby  
33 established as a public body corporate and politic, with perpetual  
34 corporate succession, constituting an agency of the state of Washington  
35 exercising essential governmental functions. The authority is a  
36 "public body" within the meaning of RCW 39.53.010.

1           (2) The authority shall consist of (~~seven~~) six members as  
2 follows: The governor, lieutenant governor, (~~executive director of~~  
3 ~~the higher education coordinating board,~~) and four public members, one  
4 of whom shall be the president of a higher education institution at the  
5 time of appointment. The public members shall be residents of the  
6 state and appointed by the governor, subject to confirmation by the  
7 senate, on the basis of their interest or expertise in the provision of  
8 higher education and the financing of higher education. The public  
9 members of the authority shall serve for terms of four years. The  
10 initial terms of the public members shall be staggered in a manner  
11 determined by the governor. In the event of a vacancy on the authority  
12 due to death, resignation, or removal of one of the public members, and  
13 upon the expiration of the term of any public member, the governor  
14 shall appoint a successor for a term expiring on the fourth anniversary  
15 of the successor's date of the appointment. If any of the state  
16 offices are abolished, the resulting vacancy on the authority shall be  
17 filled by the state officer who shall succeed substantially to the  
18 power and duties of the abolished office. Any public member of the  
19 authority may be removed by the governor for misfeasance, malfeasance,  
20 (~~wilful~~) willful neglect of duty, or any other cause after notice and  
21 a public hearing, unless such notice and hearing shall be expressly  
22 waived in writing.

23           (3) The governor shall serve as chairperson of the authority. The  
24 authority shall elect annually one of its members as secretary. If the  
25 governor shall be absent from a meeting of the authority, the secretary  
26 shall preside. However, the governor may designate an employee of the  
27 governor's office to act on the governor's behalf in all other respects  
28 during the absence of the governor at any meeting of the authority. If  
29 the designation is in writing and is presented to the person presiding  
30 at the meetings of the authority who is included in the designation,  
31 the vote of the designee has the same effect as if cast by the  
32 governor.

33           (4) Any person designated by resolution of the authority shall keep  
34 a record of the proceedings of the authority and shall be the custodian  
35 of all books, documents, and papers filed with the authority, the  
36 minute book or a journal of the authority, and the authority's official  
37 seal, if any. The person may cause copies to be made of all minutes

1 and other records and documents of the authority, and may give  
2 certificates to the effect that such copies are true copies. All  
3 persons dealing with the authority may rely upon the certificates.

4 (5) Four members of the authority constitute a quorum. Members  
5 participating in a meeting through the use of any means of  
6 communication by which all members participating can hear each other  
7 during the meeting shall be deemed to be present in person at the  
8 meeting for all purposes. The authority may act on the basis of a  
9 motion except when authorizing the issuance and sale of bonds, in which  
10 case the authority shall act by resolution. Bond resolutions and other  
11 resolutions shall be adopted upon the affirmative vote of four members  
12 of the authority, and shall be signed by those members voting yes.  
13 Motions shall be adopted upon the affirmative vote of a majority of a  
14 quorum of members present at any meeting of the authority. All actions  
15 taken by the authority shall take effect immediately without need for  
16 publication or other public notice. A vacancy in the membership of the  
17 authority does not impair the power of the authority to act under this  
18 chapter.

19 (6) The members of the authority shall be compensated in accordance  
20 with RCW 43.03.240 and shall be entitled to reimbursement, solely from  
21 the funds of the authority, for travel expenses as determined by the  
22 authority incurred in the discharge of their duties under this chapter.

23 **Sec. 138.** RCW 28B.10.786 and 1993 sp.s. c 15 s 7 are each amended  
24 to read as follows:

25 It is the policy of the state of Washington that financial need not  
26 be a barrier to participation in higher education. It is also the  
27 policy of the state of Washington that the essential requirements level  
28 budget calculation include funding for state student financial aid  
29 programs. The calculation should, at a minimum, include a funding  
30 level equal to the amount provided in the second year of the previous  
31 biennium in the omnibus appropriations act, adjusted for the percentage  
32 of needy resident students, by educational sector, likely to be  
33 included in any enrollment increases necessary to maintain, by  
34 educational sector, the participation rate funded in the 1993 fiscal  
35 year. The calculation should also be adjusted to reflect, by  
36 educational sector, any increases in cost of attendance. The cost of  
37 attendance figures should be calculated by the (~~higher-education~~

1 ~~coordinating board and provided to the~~) office of financial management  
2 and provided to the appropriate legislative committees by June 30th of  
3 each even-numbered year.

4 **Sec. 139.** RCW 28B.10.790 and 2004 c 275 s 44 are each amended to  
5 read as follows:

6 Washington residents attending any nonprofit college or university  
7 in another state which has a reciprocity agreement with the state of  
8 Washington shall be eligible for the student financial aid program  
9 outlined in chapter 28B.92 RCW if (1) they qualify as a "needy student"  
10 under RCW 28B.92.030(~~(+3+)~~) (5), and (2) the institution attended is a  
11 member institution of an accrediting association recognized by rule of  
12 the (~~higher education coordinating board~~) office of student financial  
13 assistance for the purposes of this section and is specifically  
14 encompassed within or directly affected by such reciprocity agreement  
15 and agrees to and complies with program rules and regulations  
16 pertaining to such students and institutions adopted pursuant to RCW  
17 28B.92.150.

18 **Sec. 140.** RCW 28B.10.792 and 1985 c 370 s 55 are each amended to  
19 read as follows:

20 The (~~higher education coordinating board~~) office of student  
21 financial assistance shall develop guidelines for determining the  
22 conditions under which an institution can be determined to be directly  
23 affected by a reciprocity agreement for the purposes of RCW 28B.10.790:  
24 PROVIDED, That no institution shall be determined to be directly  
25 affected unless students from the county in which the institution is  
26 located are provided, pursuant to a reciprocity agreement, access to  
27 Washington institutions at resident tuition and fee rates to the extent  
28 authorized by Washington law.

29 **Sec. 141.** RCW 28B.10.840 and 1985 c 370 s 57 are each amended to  
30 read as follows:

31 The term "institution of higher education" whenever used in RCW  
32 28B.10.840 through 28B.10.844, shall be held and construed to mean any  
33 public institution of higher education in Washington. The term  
34 "educational board" whenever used in RCW 28B.10.840 through 28B.10.844,

1 shall be held and construed to mean the state board for community and  
2 technical colleges (~~education and the higher education coordinating~~  
3 ~~board~~)).

4 **Sec. 142.** RCW 28B.12.030 and 2002 c 187 s 2 are each amended to  
5 read as follows:

6 As used in this chapter, the following words and terms shall have  
7 the following meanings, unless the context shall clearly indicate  
8 another or different meaning or intent:

9 (1) The term "needy student" shall mean a student enrolled or  
10 accepted for enrollment at a (~~post-secondary~~) postsecondary  
11 institution who, according to a system of need analysis approved by the  
12 (~~higher education coordinating board~~) office of student financial  
13 assistance, demonstrates a financial inability, either parental,  
14 familial, or personal, to bear the total cost of education for any  
15 semester or quarter.

16 (2) The term "eligible institution" shall mean any (~~post-~~  
17 ~~secondary~~) postsecondary institution in this state accredited by the  
18 Northwest Association of Schools and Colleges, or a branch of a member  
19 institution of an accrediting association recognized by rule of the  
20 board for purposes of this section, that is eligible for federal  
21 student financial aid assistance and has operated as a nonprofit  
22 college or university delivering on-site classroom instruction for a  
23 minimum of twenty consecutive years within the state of Washington, or  
24 any public technical college in the state.

25 **Sec. 143.** RCW 28B.12.040 and 2009 c 560 s 21 are each amended to  
26 read as follows:

27 The (~~higher education coordinating board~~) office of student  
28 financial assistance shall develop and administer the state work-study  
29 program. The board shall be authorized to enter into agreements with  
30 employers and eligible institutions for the operation of the program.  
31 These agreements shall include such provisions as the (~~higher~~  
32 ~~education coordinating board~~) office may deem necessary or appropriate  
33 to carry out the purposes of this chapter.

34 With the exception of off-campus community service placements, the  
35 share from moneys disbursed under the state work-study program of the

1 compensation of students employed under such program in accordance with  
2 such agreements shall not exceed eighty percent of the total such  
3 compensation paid such students.

4 By rule, the (~~board~~) office shall define community service  
5 placements and may determine any salary matching requirements for any  
6 community service employers.

7 **Sec. 144.** RCW 28B.12.050 and 1994 c 130 s 5 are each amended to  
8 read as follows:

9 The (~~higher-education-coordinating-board~~) office\_of\_student  
10 financial\_assistance shall disburse state work-study funds. In  
11 performing its duties under this section, the (~~board~~) office shall  
12 consult eligible institutions and (~~post-secondary~~) postsecondary  
13 education advisory and governing bodies. The (~~board~~) office shall  
14 establish criteria designed to achieve such distribution of assistance  
15 under this chapter among students attending eligible institutions as  
16 will most effectively carry out the purposes of this chapter.

17 **Sec. 145.** RCW 28B.12.055 and 2009 c 215 s 12 are each amended to  
18 read as follows:

19 (1) Within existing resources, the (~~higher-education-coordinating~~  
20 ~~board~~) office\_of\_student\_financial\_assistance shall establish the  
21 work-study opportunity grant for high-demand occupations, a competitive  
22 grant program to encourage job placements in high-demand fields. The  
23 (~~board~~) office shall award grants to eligible institutions of higher  
24 education that have developed a partnership with a proximate  
25 organization willing to host work-study placements. Partner  
26 organizations may be nonprofit organizations, for-profit firms, or  
27 public agencies. Eligible institutions of higher education must verify  
28 that all job placements will last for a minimum of one academic quarter  
29 or one academic semester, depending on the system used by the eligible  
30 institution of higher education.

31 (2) The (~~board~~) office may adopt rules to identify high-demand  
32 fields for purposes of this section. The legislature recognizes that  
33 the high-demand fields identified by the (~~board~~) office may differ in  
34 different regions of the state.

35 (3) The (~~board~~) office may award grants to eligible institutions

1 of higher education that cover both student wages and program  
2 administration.

3 (4) The (~~board~~) office shall develop performance benchmarks  
4 regarding program success including, but not limited to, the number of  
5 students served, the amount of employer contributions, and the number  
6 of participating high-demand employers.

7 **Sec. 146.** RCW 28B.12.060 and 2009 c 172 s 1 are each amended to  
8 read as follows:

9 The (~~higher-education-coordinating-board~~) office of student  
10 financial assistance shall adopt rules as may be necessary or  
11 appropriate for effecting the provisions of this chapter, and not in  
12 conflict with this chapter, in accordance with the provisions of  
13 chapter 34.05 RCW, the (~~state-higher-education~~) administrative  
14 procedure act. Such rules shall include provisions designed to make  
15 employment under the work-study program reasonably available, to the  
16 extent of available funds, to all eligible needy students in eligible  
17 postsecondary institutions. The rules shall include:

18 (1) Providing work under the state work-study program that will not  
19 result in the displacement of employed workers or impair existing  
20 contracts for services;

21 (2) Furnishing work only to a student who:

22 (a) Is capable, in the opinion of the eligible institution, of  
23 maintaining good standing in such course of study while employed under  
24 the program covered by the agreement; and

25 (b) Has been accepted for enrollment as at least a half-time  
26 student at the eligible institution or, in the case of a student  
27 already enrolled in and attending the eligible institution, is in good  
28 standing and in at least half-time attendance there either as an  
29 undergraduate, graduate or professional student; and

30 (c) Is not pursuing a degree in theology;

31 (3) Placing priority on providing:

32 (a) Work opportunities for students who are residents of the state  
33 of Washington as defined in RCW 28B.15.012 and 28B.15.013, particularly  
34 former foster youth as defined in RCW 28B.92.060;

35 (b) Job placements in fields related to each student's academic or  
36 vocational pursuits, with an emphasis on off-campus job placements  
37 whenever appropriate; and

1 (c) Off-campus community service placements;

2 (4) To the extent practicable, limiting the proportion of state  
3 subsidy expended upon nonresident students to fifteen percent, or such  
4 less amount as specified in the biennial appropriations act;

5 (5) Provisions to assure that in the state institutions of higher  
6 education, utilization of this work-study program:

7 (a) Shall only supplement and not supplant classified positions  
8 under jurisdiction of chapter 41.06 RCW;

9 (b) That all positions established which are comparable shall be  
10 identified to a job classification under the director of personnel's  
11 classification plan and shall receive equal compensation;

12 (c) Shall not take place in any manner that would replace  
13 classified positions reduced due to lack of funds or work; and

14 (d) That work study positions shall only be established at entry  
15 level positions of the classified service unless the overall scope and  
16 responsibilities of the position indicate a higher level; and

17 (6) Provisions to encourage job placements in high employer demand  
18 occupations that meet Washington's economic development goals,  
19 including those in international trade and international relations.  
20 The (~~board~~) office shall permit appropriate job placements in other  
21 states and other countries.

22 **Sec. 147.** RCW 28B.12.070 and 1994 c 130 s 7 are each amended to  
23 read as follows:

24 Each eligible institution shall submit to the (~~higher education~~  
25 ~~coordinating board~~) office of student financial assistance an annual  
26 report in accordance with such requirements as are adopted by the  
27 board.

28 **Sec. 148.** RCW 28B.15.012 and 2010 c 183 s 1 are each amended to  
29 read as follows:

30 Whenever used in this chapter:

31 (1) The term "institution" shall mean a public university, college,  
32 or community college within the state of Washington.

33 (2) The term "resident student" shall mean:

34 (a) A financially independent student who has had a domicile in the  
35 state of Washington for the period of one year immediately prior to the  
36 time of commencement of the first day of the semester or quarter for

1 which the student has registered at any institution and has in fact  
2 established a bona fide domicile in this state primarily for purposes  
3 other than educational;

4 (b) A dependent student, if one or both of the student's parents or  
5 legal guardians have maintained a bona fide domicile in the state of  
6 Washington for at least one year immediately prior to commencement of  
7 the semester or quarter for which the student has registered at any  
8 institution;

9 (c) A student classified as a resident based upon domicile by an  
10 institution on or before May 31, 1982, who was enrolled at a state  
11 institution during any term of the 1982-1983 academic year, so long as  
12 such student's enrollment (excepting summer sessions) at an institution  
13 in this state is continuous;

14 (d) Any student who has spent at least seventy-five percent of both  
15 his or her junior and senior years in high schools in this state, whose  
16 parents or legal guardians have been domiciled in the state for a  
17 period of at least one year within the five-year period before the  
18 student graduates from high school, and who enrolls in a public  
19 institution of higher education within six months of leaving high  
20 school, for as long as the student remains continuously enrolled for  
21 three quarters or two semesters in any calendar year;

22 (e) Any person who has completed the full senior year of high  
23 school and obtained a high school diploma, both at a Washington public  
24 high school or private high school approved under chapter 28A.195 RCW,  
25 or a person who has received the equivalent of a diploma; who has lived  
26 in Washington for at least three years immediately prior to receiving  
27 the diploma or its equivalent; who has continuously lived in the state  
28 of Washington after receiving the diploma or its equivalent and until  
29 such time as the individual is admitted to an institution of higher  
30 education under subsection (1) of this section; and who provides to the  
31 institution an affidavit indicating that the individual will file an  
32 application to become a permanent resident at the earliest opportunity  
33 the individual is eligible to do so and a willingness to engage in any  
34 other activities necessary to acquire citizenship, including but not  
35 limited to citizenship or civics review courses;

36 (f) Any person who has lived in Washington, primarily for purposes  
37 other than educational, for at least one year immediately before the  
38 date on which the person has enrolled in an institution, and who holds

1 lawful nonimmigrant status pursuant to 8 U.S.C. Sec. (a)(15) (E)(iii),  
2 (H)(i), or (L), or who holds lawful nonimmigrant status as the spouse  
3 or child of a person having nonimmigrant status under one of those  
4 subsections, or who, holding or having previously held such lawful  
5 nonimmigrant status as a principal or derivative, has filed an  
6 application for adjustment of status pursuant to 8 U.S.C. Sec. 1255(a);

7 (g) A student who is on active military duty stationed in the state  
8 or who is a member of the Washington national guard;

9 (h) A student who is the spouse or a dependent of a person who is  
10 on active military duty stationed in the state. If the person on  
11 active military duty is reassigned out-of-state, the student maintains  
12 the status as a resident student so long as the student is continuously  
13 enrolled in a degree program;

14 (i) A student who resides in the state of Washington and is the  
15 spouse or a dependent of a person who is a member of the Washington  
16 national guard;

17 (j) A student of an out-of-state institution of higher education  
18 who is attending a Washington state institution of higher education  
19 pursuant to a home tuition agreement as described in RCW 28B.15.725;

20 (k) A student who meets the requirements of RCW 28B.15.0131:  
21 PROVIDED, That a nonresident student enrolled for more than six hours  
22 per semester or quarter shall be considered as attending for primarily  
23 educational purposes, and for tuition and fee paying purposes only such  
24 period of enrollment shall not be counted toward the establishment of  
25 a bona fide domicile of one year in this state unless such student  
26 proves that the student has in fact established a bona fide domicile in  
27 this state primarily for purposes other than educational;

28 (l) A student who resides in Washington and is on active military  
29 duty stationed in the Oregon counties of Columbia, Gilliam, Hood River,  
30 Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union,  
31 Wallowa, Wasco, or Washington; or

32 (m) A student who resides in Washington and is the spouse or a  
33 dependent of a person who resides in Washington and is on active  
34 military duty stationed in the Oregon counties of Columbia, Gilliam,  
35 Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla,  
36 Union, Wallowa, Wasco, or Washington. If the person on active military  
37 duty moves from Washington or is reassigned out of the Oregon counties  
38 of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas,

1 Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington, the  
2 student maintains the status as a resident student so long as the  
3 student resides in Washington and is continuously enrolled in a degree  
4 program.

5 (3) The term "nonresident student" shall mean any student who does  
6 not qualify as a "resident student" under the provisions of this  
7 section and RCW 28B.15.013. Except for students qualifying under  
8 subsection (2)(e) or (j) of this section, a nonresident student shall  
9 include:

10 (a) A student attending an institution with the aid of financial  
11 assistance provided by another state or governmental unit or agency  
12 thereof, such nonresidency continuing for one year after the completion  
13 of such semester or quarter.

14 (b) A person who is not a citizen of the United States of America  
15 who does not have permanent or temporary resident status or does not  
16 hold "Refugee-Parolee" or "Conditional Entrant" status with the United  
17 States (~~(citizen-and)~~) citizenship immigration services or is not  
18 otherwise permanently residing in the United States under color of law  
19 and who does not also meet and comply with all the applicable  
20 requirements in this section and RCW 28B.15.013.

21 (4) The term "domicile" shall denote a person's true, fixed and  
22 permanent home and place of habitation. It is the place where the  
23 student intends to remain, and to which the student expects to return  
24 when the student leaves without intending to establish a new domicile  
25 elsewhere. The burden of proof that a student, parent or guardian has  
26 established a domicile in the state of Washington primarily for  
27 purposes other than educational lies with the student.

28 (5) The term "dependent" shall mean a person who is not financially  
29 independent. Factors to be considered in determining whether a person  
30 is financially independent shall be set forth in rules (~~and~~  
31 ~~regulations~~) adopted by the (~~higher-education-coordinating-board~~)  
32 office of student financial assistance and shall include, but not be  
33 limited to, the state and federal income tax returns of the person  
34 and/or the student's parents or legal guardian filed for the calendar  
35 year prior to the year in which application is made and such other  
36 evidence as the board may require.

37 (6) The term "active military duty" means the person is serving on  
38 active duty in:

- 1 (a) The armed forces of the United States government; or
- 2 (b) The Washington national guard; or
- 3 (c) The coast guard, merchant mariners, or other nonmilitary
- 4 organization when such service is recognized by the United States
- 5 government as equivalent to service in the armed forces.

6 **Sec. 149.** RCW 28B.15.013 and 1989 c 175 s 79 are each amended to  
7 read as follows:

8 (1) The establishment of a new domicile in the state of Washington  
9 by a person formerly domiciled in another state has occurred if such  
10 person is physically present in Washington primarily for purposes other  
11 than educational and can show satisfactory proof that such person is  
12 without a present intention to return to such other state or to acquire  
13 a domicile at some other place outside of Washington.

14 (2) Unless proven to the contrary it shall be presumed that:

15 (a) The domicile of any person shall be determined according to the  
16 individual's situation and circumstances rather than by marital status  
17 or sex.

18 (b) A person does not lose a domicile in the state of Washington by  
19 reason of residency in any state or country while a member of the civil  
20 or military service of this state or of the United States, nor while  
21 engaged in the navigation of the waters of this state or of the United  
22 States or of the high seas if that person returns to the state of  
23 Washington within one year of discharge from said service with the  
24 intent to be domiciled in the state of Washington; any resident  
25 dependent student who remains in this state when such student's  
26 parents, having theretofore been domiciled in this state for a period  
27 of one year immediately prior to the time of commencement of the first  
28 day of the semester or quarter for which the student has registered at  
29 any institution, remove from this state, shall be entitled to continued  
30 classification as a resident student so long as such student's  
31 attendance (except summer sessions) at an institution in this state is  
32 continuous.

33 (3) To aid the institution in deciding whether a student, parent,  
34 legally appointed guardian or the person having legal custody of a  
35 student is domiciled in the state of Washington primarily for purposes  
36 other than educational, the rules and regulations adopted by the

1 ((higher-education-coordinating-board)) office of student financial  
2 assistance shall include but not be limited to the following:

3 (a) Registration or payment of Washington taxes or fees on a motor  
4 vehicle, mobile home, travel trailer, boat, or any other item of  
5 personal property owned or used by the person for which state  
6 registration or the payment of a state tax or fee is required will be  
7 a factor in considering evidence of the establishment of a Washington  
8 domicile.

9 (b) Permanent full time employment in Washington by a person will  
10 be a factor in considering the establishment of a Washington domicile.

11 (c) Registration to vote for state officials in Washington will be  
12 a factor in considering the establishment of a Washington domicile.

13 (4) After a student has registered at an institution such student's  
14 classification shall remain unchanged in the absence of satisfactory  
15 evidence to the contrary. A student wishing to apply for a change in  
16 classification shall reduce such evidence to writing and file it with  
17 the institution. In any case involving an application for a change  
18 from nonresident to resident status, the burden of proof shall rest  
19 with the applicant. Any change in classification, either nonresident  
20 to resident, or the reverse, shall be based upon written evidence  
21 maintained in the files of the institution and, if approved, shall take  
22 effect the semester or quarter such evidence was filed with the  
23 institution: PROVIDED, That applications for a change in  
24 classification shall be accepted up to the thirtieth calendar day  
25 following the first day of instruction of the quarter or semester for  
26 which application is made.

27 **Sec. 150.** RCW 28B.15.015 and 1985 c 370 s 64 are each amended to  
28 read as follows:

29 The ((higher-education-coordinating-board, upon consideration of  
30 advice from representatives of the)) state's institutions, with the  
31 advice of the attorney general, shall adopt rules and regulations to be  
32 used by the state's institutions for determining a student's resident  
33 and nonresident status and for recovery of fees for improper  
34 classification of residency.

35 **Sec. 151.** RCW 28B.15.100 and 2011 c 274 s 5 are each amended to  
36 read as follows:

1 (1) The governing boards of the state universities, the regional  
2 universities, The Evergreen State College, and the community colleges  
3 shall charge to and collect from each of the students registering at  
4 the particular institution for any quarter or semester such tuition  
5 fees and services and activities fees, and other fees as such board  
6 shall in its discretion determine. For the governing boards of the  
7 state universities, the regional universities, and The Evergreen State  
8 College, the total of all fees shall be rounded to the nearest whole  
9 dollar amount: PROVIDED, That such tuition fees shall be established  
10 in accordance with RCW 28B.15.067.

11 (2) Part-time students shall be charged tuition and services and  
12 activities fees proportionate to full-time student rates established  
13 for residents and nonresidents: PROVIDED, That except for students  
14 registered at community colleges, students registered for fewer than  
15 two credit hours shall be charged tuition and services and activities  
16 fees at the rate established for two credit hours: PROVIDED FURTHER,  
17 That, subject to the limitations of RCW 28B.15.910, residents of Idaho  
18 or Oregon who are enrolled in community college district number twenty  
19 for six or fewer credits during any quarter or semester may be exempted  
20 from payment of all or a portion of the nonresident tuition fees  
21 differential upon a declaration by the (~~higher education coordinating~~  
22 ~~board~~) office of student financial assistance that it finds Washington  
23 residents from the community college district are afforded  
24 substantially equivalent treatment by such other states.

25 (3) Full-time students registered for more than eighteen credit  
26 hours shall be charged an additional operating fee for each credit hour  
27 in excess of eighteen hours at the applicable established per credit  
28 hour tuition fee rate for part-time students: PROVIDED, That, subject  
29 to the limitations of RCW 28B.15.910, the governing boards of the state  
30 universities and the community colleges may exempt all or a portion of  
31 the additional charge, for students who are registered exclusively in  
32 first professional programs in medicine, dental medicine, veterinary  
33 medicine, doctor of pharmacy, or law, or who are registered exclusively  
34 in required courses in vocational preparatory programs.

35 **Sec. 152.** RCW 28B.15.543 and 2004 c 275 s 49 are each amended to  
36 read as follows:

37 (1) Subject to the limitations of RCW 28B.15.910, the governing

1 boards of the state universities, the regional universities, The  
2 Evergreen State College, and the community colleges shall waive tuition  
3 and service and activities fees for students named by the (~~higher~~  
4 ~~education coordinating board~~) office of student financial assistance  
5 on or before June 30, 1994, as recipients of the Washington scholars  
6 award under RCW 28A.600.100 through 28A.600.150. The waivers shall be  
7 used only for undergraduate studies. To qualify for the waiver,  
8 recipients shall enter the college or university within three years of  
9 high school graduation and maintain a minimum grade point average at  
10 the college or university equivalent to 3.30. Students shall be  
11 eligible to receive a maximum of twelve quarters or eight semesters of  
12 waivers and may transfer among state-supported institutions of higher  
13 education during that period and continue to have the tuition and  
14 services and activities fees waived by the state-supported institution  
15 of higher education that the student attends. Should the student's  
16 cumulative grade point average fall below 3.30 during the first three  
17 quarters or two semesters, that student may petition the (~~higher~~  
18 ~~education coordinating board~~) office of student financial assistance  
19 which shall have the authority to establish a probationary period until  
20 such time as the student's grade point average meets required  
21 standards.

22 (2) Students named by the (~~higher education coordinating board~~)  
23 office of student financial assistance after June 30, 1994, as  
24 recipients of the Washington scholars award under RCW 28A.600.100  
25 through 28A.600.150 shall be eligible to receive a grant for  
26 undergraduate course work as authorized under RCW 28B.76.660.

27 **Sec. 153.** RCW 28B.15.732 and 1985 c 370 s 70 are each amended to  
28 read as follows:

29 Prior to January 1<sup>st</sup> of each odd-numbered year the (~~higher~~  
30 ~~education coordinating board, in cooperation with the state board for~~  
31 ~~community college education, and~~) office of student financial  
32 assistance, in consultation with appropriate agencies and officials in  
33 the state of Oregon, shall determine for the purposes of RCW 28B.15.730  
34 the number of students for whom nonresident tuition and fees have been  
35 waived for the first academic year of the biennium and the fall term of  
36 the second academic year, and make an estimate of the number of such  
37 students for the remainder of the second academic year, and the

1 difference between the aggregate amount of tuition and fees that would  
2 have been paid to the respective states by residents of the other state  
3 had such waivers not been made, and the aggregate amount of tuition and  
4 fees paid by residents of the other state. Should the ((~~board~~)) office  
5 of student financial assistance determine that the state of Oregon has  
6 experienced a greater net tuition and fee revenue loss than  
7 institutions in Washington, it shall pay from funds appropriated for  
8 this purpose to the appropriate agency or institutions in Oregon an  
9 amount determined by subtracting the net tuition and fee revenue loss  
10 of Washington from the net tuition and fee revenue loss of Oregon,  
11 minus twenty-five thousand dollars for each year of the biennium:  
12 PROVIDED, That appropriate officials in the state of Oregon agree to  
13 make similar restitution to the state of Washington should the net  
14 tuition and fee revenue loss in Washington be greater than that in  
15 Oregon.

16 **Sec. 154.** RCW 28B.15.752 and 1985 c 370 s 74 are each amended to  
17 read as follows:

18 Prior to January 1<sup>st</sup> of each odd-numbered year, the ((~~higher~~  
19 ~~education coordinating board, in cooperation with the state board for~~  
20 ~~community - college - education - and~~)) office \_ of \_ student \_ financial  
21 assistance in consultation with appropriate agencies and officials in  
22 the state of Idaho, shall determine for the purposes of RCW 28B.15.750  
23 the number of students for whom nonresident tuition and fees have been  
24 waived for the first academic year of the biennium and the fall term of  
25 the second academic year, and make an estimate of the number of such  
26 students for the remainder of the second academic year, and the  
27 difference between the aggregate amount of tuition and fees that would  
28 have been paid to the respective states by residents of the other state  
29 had such waivers not been made, and the aggregate amount of tuition and  
30 fees paid by residents of the other state. Should the ((~~board~~)) office  
31 of student financial assistance determine that the state of Idaho has  
32 experienced a greater net tuition and fee revenue loss than  
33 institutions in Washington, it shall pay from funds appropriated for  
34 this purpose to the appropriate agency or institution in Idaho an  
35 amount determined by subtracting the net tuition and fee revenue loss  
36 of Washington from the net tuition and fee revenue loss of Idaho, minus  
37 twenty-five thousand dollars for each year of the biennium if the

1 appropriate officials in the state of Idaho agree to make similar  
2 restitution to the state of Washington should the net tuition and fee  
3 revenue loss in Washington be greater than that in Idaho.

4 **Sec. 155.** RCW 28B.15.760 and 2004 c 275 s 65 are each amended to  
5 read as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout RCW 28B.15.762 and 28B.15.764.

8 (1) "Institution of higher education" or "institution" means a  
9 college or university in the state of Washington which is a member  
10 institution of an accrediting association recognized as such by rule of  
11 the higher education coordinating board.

12 (2) "Board" means the higher education coordinating board.

13 (3) "Eligible student" means a student registered for at least ten  
14 credit hours or the equivalent and demonstrates achievement of a 3.00  
15 grade point average for each academic year, who is a resident student  
16 as defined by RCW 28B.15.012 through 28B.15.015, who is a "needy  
17 student" as defined in RCW 28B.92.030, and who has a declared major in  
18 a program leading to a degree in teacher education in a field of  
19 science or mathematics, or a certificated teacher who meets the same  
20 credit hour and "needy student" requirements and is seeking an  
21 additional degree in science or mathematics.

22 (4) "Public school" means a middle school, junior high school, or  
23 high school within the public school system referred to in Article IX  
24 of the state Constitution.

25 (5) "Forgiven" or "to forgive" means to collect service as a  
26 teacher in a field of science or mathematics at a public school in the  
27 state of Washington in lieu of monetary payment.

28 (6) "Satisfied" means paid-in-full.

29 (7) "Borrower" means an eligible student who has received a loan  
30 under RCW 28B.15.762.

31 (8) "Office" means the office of student financial assistance.

32 **Sec. 156.** RCW 28B.15.762 and 1996 c 107 s 2 are each amended to  
33 read as follows:

34 (1) The ((board)) office may make long-term loans to eligible  
35 students at institutions of higher education from the funds  
36 appropriated to the ((board)) office for this purpose. The amount of

1 any such loan shall not exceed the demonstrated financial need of the  
2 student or two thousand five hundred dollars for each academic year  
3 whichever is less, and the total amount of such loans to an eligible  
4 student shall not exceed ten thousand dollars. The interest rates and  
5 terms of deferral of such loans shall be consistent with the terms of  
6 the guaranteed loan program established by 20 U.S.C. Sec. 1701 et seq.  
7 The period for repaying the loan principal and interest shall be ten  
8 years with payments accruing quarterly commencing nine months from the  
9 date the borrower graduated. The entire principal and interest of each  
10 loan payment shall be forgiven for each payment period in which the  
11 borrower teaches science or mathematics in a public school in this  
12 state until the entire loan is satisfied or the borrower ceases to  
13 teach science or mathematics at a public school in this state. Should  
14 the borrower cease to teach science or mathematics at a public school  
15 in this state before the time in which the principal and interest on  
16 the loan are satisfied, payments on the unsatisfied portion of the  
17 principal and interest on the loan shall begin the next payment period  
18 and continue until the remainder of the loan is paid.

19 (2) The (~~board~~) office is responsible for collection of loans  
20 made under subsection (1) of this section and shall exercise due  
21 diligence in such collection, maintaining all necessary records to  
22 insure that maximum repayments are made. Collection and servicing of  
23 loans under subsection (1) of this section shall be pursued using the  
24 full extent of the law, including wage garnishment if necessary, and  
25 shall be performed by entities approved for such servicing by the  
26 Washington student loan guaranty association or its successor agency.  
27 The board is responsible to forgive all or parts of such loans under  
28 the criteria established in subsection (1) of this section and shall  
29 maintain all necessary records of forgiven payments.

30 (3) Receipts from the payment of principal or interest or any other  
31 subsidies to which the board as lender is entitled, which are paid by  
32 or on behalf of borrowers under subsection (1) of this section, shall  
33 be deposited with the (~~higher education coordinating board~~) office  
34 and shall be used to cover the costs of making the loans under  
35 subsection (1) of this section, maintaining necessary records, and  
36 making collections under subsection (2) of this section. The (~~board~~)  
37 office shall maintain accurate records of these costs, and all receipts

1 beyond those necessary to pay such costs shall be used to make loans to  
2 eligible students.

3 (4) Any funds not used to make loans, or to cover the cost of  
4 making loans or making collections, shall be placed in the state  
5 educational trust fund for needy or disadvantaged students.

6 (5) The (~~board~~) office shall adopt necessary rules to implement  
7 this section.

8 **Sec. 157.** RCW 28B.50.272 and 2007 c 277 s 102 are each amended to  
9 read as follows:

10 (1) To be eligible for participation in the opportunity grant  
11 program established in RCW 28B.50.271, a student must:

12 (a) Be a Washington resident student as defined in RCW 28B.15.012  
13 enrolled in an opportunity grant-eligible program of study;

14 (b) Have a family income that is at or below two hundred percent of  
15 the federal poverty level using the most current guidelines available  
16 from the United States department of health and human services, and be  
17 determined to have financial need based on the free application for  
18 federal student aid; and

19 (c) Meet such additional selection criteria as the college board  
20 shall establish in order to operate the program within appropriated  
21 funding levels.

22 (2) Upon enrolling, the student must provide evidence of commitment  
23 to complete the program. The student must make satisfactory progress  
24 and maintain a cumulative 2.0 grade point average for continued  
25 eligibility. If a student's cumulative grade point average falls below  
26 2.0, the student may petition the institution of higher education of  
27 attendance. The qualified institution of higher education has the  
28 authority to establish a probationary period until such time as the  
29 student's grade point average reaches required standards.

30 (3) Subject to funds appropriated for this specific purpose, public  
31 qualified institutions of higher education shall receive an enhancement  
32 of one thousand five hundred dollars for each full-time equivalent  
33 student enrolled in the opportunity grant program whose income is below  
34 two hundred percent of the federal poverty level. The funds shall be  
35 used for individualized support services which may include, but are not  
36 limited to, college and career advising, tutoring, emergency child  
37 care, and emergency transportation. The qualified institution of

1 higher education is expected to help students access all financial  
2 resources and support services available to them through alternative  
3 sources.

4 (4) The college board shall be accountable for student retention  
5 and completion of opportunity grant-eligible programs of study. It  
6 shall set annual performance measures and targets and monitor the  
7 performance at all qualified institutions of higher education. The  
8 college board must reduce funding at institutions of higher education  
9 that do not meet targets for two consecutive years, based on criteria  
10 developed by the college board.

11 (5) The college board and (~~higher education coordinating board~~)  
12 office of student financial assistance shall work together to ensure  
13 that students participating in the opportunity grant program are  
14 informed of all other state and federal financial aid to which they may  
15 be entitled while receiving an opportunity grant.

16 (6) The college board and (~~higher education coordinating board~~)  
17 office of student financial assistance shall document the amount of  
18 opportunity grant assistance and the types and amounts of other sources  
19 of financial aid received by participating students. Annually, they  
20 shall produce a summary of the data.

21 (7) The college board shall:

22 (a) Begin developing the program no later than August 1, 2007, with  
23 student enrollment to begin no later than January 14, 2008; and

24 (b) Submit a progress report to the legislature by December 1,  
25 2008.

26 (8) The college board may, in implementing the opportunity grant  
27 program, accept, use, and expend or dispose of contributions of money,  
28 services, and property. All such moneys received by the college board  
29 for the program must be deposited in an account at a depository  
30 approved by the state treasurer. Only the college board or a duly  
31 authorized representative thereof may authorize expenditures from this  
32 account. In order to maintain an effective expenditure and revenue  
33 control, the account is subject in all respects to chapter 43.88 RCW,  
34 but no appropriation is required to permit expenditure of moneys in the  
35 account.

36 **Sec. 158.** RCW 28B.92.020 and 2003 c 19 s 11 are each amended to  
37 read as follows:

1 (1) The legislature finds that the (~~higher education coordinating~~  
2 ~~board, in consultation with the~~) higher education community, has  
3 completed a review of the state need grant program. It is the intent  
4 of the legislature to endorse the (~~board's~~) proposed changes to the  
5 state need grant program, including:

6 (a) Reaffirmation that the primary purpose of the state need grant  
7 program is to assist low-income, needy, and disadvantaged Washington  
8 residents attending institutions of higher education;

9 (b) A goal that the base state need grant amount over time be  
10 increased to be equivalent to the rate of tuition charged to resident  
11 undergraduate students attending Washington state public colleges and  
12 universities;

13 (c) State need grant recipients be required to contribute a portion  
14 of the total cost of their education through self-help;

15 (d) State need grant recipients be required to document their need  
16 for dependent care assistance after taking into account other public  
17 funds provided for like purposes; and

18 (e) Institutional aid administrators be allowed to determine  
19 whether a student eligible for a state need grant in a given academic  
20 year may remain eligible for the ensuing year if the student's family  
21 income increases by no more than a marginal amount except for funds  
22 provided through the educational assistance grant program for students  
23 with dependents.

24 (2) The legislature further finds that the (~~higher education~~  
25 ~~coordinating board, under its authority to implement the proposed~~)  
26 changes in subsection (1) of this section, should do so in a timely  
27 manner.

28 (3) The legislature also finds that:

29 (a) In most circumstances, need grant eligibility should not extend  
30 beyond five years or one hundred twenty-five percent of the published  
31 length of the program in which the student is enrolled or the credit or  
32 clock-hour equivalent; and

33 (b) State financial aid programs should continue to adhere to the  
34 principle that funding follows resident students to their choice of  
35 institution of higher education.

36 **Sec. 159.** RCW 28B.92.030 and 2009 c 238 s 7 and 2009 c 215 s 5 are  
37 each reenacted and amended to read as follows:

1 As used in this chapter:

2 (1) (~~("Board" means the higher education coordinating board.~~

3 ~~(2))~~) "Disadvantaged student" means a (~~(post-high))~~ posthigh school  
4 student who by reason of adverse cultural, educational, environmental,  
5 experiential, familial or other circumstances is unable to qualify for  
6 enrollment as a full-time student in an institution of higher  
7 education, who would otherwise qualify as a needy student, and who is  
8 attending an institution of higher education under an established  
9 program designed to qualify the student for enrollment as a full-time  
10 student.

11 ~~((3))~~ (2) "Financial aid" means loans and/or grants to needy  
12 students enrolled or accepted for enrollment as a student at  
13 institutions of higher education.

14 ~~((4))~~ (3) "Institution" or "institutions of higher education"  
15 means:

16 (a) Any public university, college, community college, or technical  
17 college operated by the state of Washington or any political  
18 subdivision thereof; or

19 (b) Any other university, college, school, or institute in the  
20 state of Washington offering instruction beyond the high school level  
21 which is a member institution of an accrediting association recognized  
22 by rule of the board for the purposes of this section: PROVIDED, That  
23 any institution, branch, extension or facility operating within the  
24 state of Washington which is affiliated with an institution operating  
25 in another state must be a separately accredited member institution of  
26 any such accrediting association, or a branch of a member institution  
27 of an accrediting association recognized by rule of the board for  
28 purposes of this section, that is eligible for federal student  
29 financial aid assistance and has operated as a nonprofit college or  
30 university delivering on-site classroom instruction for a minimum of  
31 twenty consecutive years within the state of Washington, and has an  
32 annual enrollment of at least seven hundred full-time equivalent  
33 students: PROVIDED FURTHER, That no institution of higher education  
34 shall be eligible to participate in a student financial aid program  
35 unless it agrees to and complies with program rules and regulations  
36 adopted pursuant to RCW 28B.92.150.

37 ~~((5))~~ (4) "Needy student" means a (~~(post-high))~~ posthigh school  
38 student of an institution of higher education who demonstrates to the

1 board the financial inability, either through the student's parents,  
2 family and/or personally, to meet the total cost of board, room, books,  
3 and tuition and incidental fees for any semester or quarter. "Needy  
4 student" also means an opportunity internship graduate as defined by  
5 RCW 28C.18.162 who enrolls in a postsecondary program of study as  
6 defined in RCW 28C.18.162 within one year of high school graduation.

7 (5) "Office" means the office of student financial assistance.

8 (6) "Placebound student" means a student who (a) is unable to  
9 complete a college program because of family or employment commitments,  
10 health concerns, monetary inability, or other similar factors; and (b)  
11 may be influenced by the receipt of an enhanced student financial aid  
12 award to complete a baccalaureate degree at an eligible institution.

13 **Sec. 160.** RCW 28B.92.040 and 2004 c 275 s 36 are each amended to  
14 read as follows:

15 The ((~~board~~)) office shall be cognizant of the following guidelines  
16 in the performance of its duties:

17 (1) The ((~~board~~)) office shall be research oriented, not only at  
18 its inception but continually through its existence.

19 (2) The ((~~board~~)) office shall coordinate all existing programs of  
20 financial aid except those specifically dedicated to a particular  
21 institution by the donor.

22 (3) The ((~~board~~)) office shall take the initiative and  
23 responsibility for coordinating all federal student financial aid  
24 programs to ensure that the state recognizes the maximum potential  
25 effect of these programs, and shall design state programs that  
26 complement existing federal, state, and institutional programs. The  
27 ((~~board~~)) office shall ensure that state programs continue to follow  
28 the principle that state financial aid funding follows the student to  
29 the student's choice of institution of higher education.

30 (4) Counseling is a paramount function of the state need grant and  
31 other state student financial aid programs, and in most cases could  
32 only be properly implemented at the institutional levels; therefore,  
33 state student financial aid programs shall be concerned with the  
34 attainment of those goals which, in the judgment of the ((~~board~~))  
35 office, are the reasons for the existence of a student financial aid  
36 program, and not solely with administration of the program on an  
37 individual basis.

1 (5) The "package" approach of combining loans, grants and  
2 employment for student financial aid shall be the conceptual element of  
3 the state's involvement.

4 (6) The ((~~board~~)) office shall ensure that allocations of state  
5 appropriations for financial aid are made to individuals and  
6 institutions in a timely manner and shall closely monitor expenditures  
7 to avoid under or overexpenditure of appropriated funds.

8 **Sec. 161.** RCW 28B.92.050 and 1999 c 345 s 4 are each amended to  
9 read as follows:

10 The ((~~board~~)) office shall have the following powers and duties:

11 (1) Conduct a full analysis of student financial aid as a means of:

12 (a) Fulfilling educational aspirations of students of the state of  
13 Washington, and

14 (b) Improving the general, social, cultural, and economic character  
15 of the state.

16 Such an analysis will be a continuous one and will yield current  
17 information relevant to needed improvements in the state program of  
18 student financial aid. The ((~~board~~)) office will disseminate the  
19 information yielded by their analyses to all appropriate individuals  
20 and agents.

21 (2) Design a state program of student financial aid based on the  
22 data of the study referred to in this section. The state programs will  
23 supplement available federal and local aid programs. The state  
24 programs of student financial aid will not exceed the difference  
25 between the budgetary costs of attending an institution of higher  
26 education and the student's total resources, including family support,  
27 personal savings, employment, and federal, state, and local aid  
28 programs.

29 (3) Determine and establish criteria for financial need of the  
30 individual applicant based upon the consideration of that particular  
31 applicant. In making this determination the ((~~board~~)) office shall  
32 consider the following:

33 (a) Assets and income of the student.

34 (b) Assets and income of the parents, or the individuals legally  
35 responsible for the care and maintenance of the student.

36 (c) The cost of attending the institution the student is attending  
37 or planning to attend.

1 (d) Any other criteria deemed relevant to the ((~~board~~)) office.

2 (4) Set the amount of financial aid to be awarded to any individual  
3 needy or disadvantaged student in any school year.

4 (5) Award financial aid to needy or disadvantaged students for a  
5 school year based upon only that amount necessary to fill the financial  
6 gap between the budgetary cost of attending an institution of higher  
7 education and the family and student contribution.

8 (6) Review the need and eligibility of all applications on an  
9 annual basis and adjust financial aid to reflect changes in the  
10 financial need of the recipients and the cost of attending the  
11 institution of higher education.

12 **Sec. 162.** RCW 28B.92.060 and 2009 c 215 s 4 are each amended to  
13 read as follows:

14 In awarding need grants, the ((~~board~~)) office shall proceed  
15 substantially as follows: PROVIDED, That nothing contained herein  
16 shall be construed to prevent the ((~~board~~)) office, in the exercise of  
17 its sound discretion, from following another procedure when the best  
18 interest of the program so dictates:

19 (1) The ((~~board~~)) office shall annually select the financial aid  
20 award recipients from among Washington residents applying for student  
21 financial aid who have been ranked according to:

22 (a) Financial need as determined by the amount of the family  
23 contribution; and

24 (b) Other considerations, such as whether the student is a former  
25 foster youth, or is a placebound student who has completed an associate  
26 of arts or associate of science degree or its equivalent.

27 (2) The financial need of the highest ranked students shall be met  
28 by grants depending upon the evaluation of financial need until the  
29 total allocation has been disbursed. Funds from grants which are  
30 declined, forfeited or otherwise unused shall be reawarded until  
31 disbursed, except that eligible former foster youth shall be assured  
32 receipt of a grant.

33 (3) A student shall be eligible to receive a state need grant for  
34 up to five years, or the credit or clock hour equivalent of five years,  
35 or up to one hundred twenty-five percent of the published length of  
36 time of the student's program. A student may not start a new associate  
37 degree program as a state need grant recipient until at least five

1 years have elapsed since earning an associate degree as a need grant  
2 recipient, except that a student may earn two associate degrees  
3 concurrently. Qualifications for renewal will include maintaining  
4 satisfactory academic progress toward completion of an eligible program  
5 as determined by the (~~board~~) office. Should the recipient terminate  
6 his or her enrollment for any reason during the academic year, the  
7 unused portion of the grant shall be returned to the state educational  
8 grant fund by the institution according to the institution's own policy  
9 for issuing refunds, except as provided in RCW 28B.92.070.

10 (4) In computing financial need, the (~~board~~) office shall  
11 determine a maximum student expense budget allowance, not to exceed an  
12 amount equal to the total maximum student expense budget at the public  
13 institutions plus the current average state appropriation per student  
14 for operating expense in the public institutions. Any child support  
15 payments received by students who are parents attending less than half-  
16 time shall not be used in computing financial need.

17 (5)(a) A student who is enrolled in three to six credit-bearing  
18 quarter credits, or the equivalent semester credits, may receive a  
19 grant for up to one academic year before beginning a program that leads  
20 to a degree or certificate.

21 (b) An eligible student enrolled on a less-than-full-time basis  
22 shall receive a prorated portion of his or her state need grant for any  
23 academic period in which he or she is enrolled on a less-than-full-time  
24 basis, as long as funds are available.

25 (c) An institution of higher education may award a state need grant  
26 to an eligible student enrolled in three to six credit-bearing quarter  
27 credits, or the semester equivalent, on a provisional basis if:

28 (i) The student has not previously received a state need grant from  
29 that institution;

30 (ii) The student completes the required free application for  
31 federal student aid;

32 (iii) The institution has reviewed the student's financial  
33 condition, and the financial condition of the student's family if the  
34 student is a dependent student, and has determined that the student is  
35 likely eligible for a state need grant; and

36 (iv) The student has signed a document attesting to the fact that  
37 the financial information provided on the free application for federal  
38 student aid and any additional financial information provided directly

1 to the institution is accurate and complete, and that the student  
2 agrees to repay the institution for the grant amount if the student  
3 submitted false or incomplete information.

4 (6) As used in this section, "former foster youth" means a person  
5 who is at least eighteen years of age, but not more than twenty-four  
6 years of age, who was a dependent of the department of social and  
7 health services at the time he or she attained the age of eighteen.

8 **Sec. 163.** RCW 28B.92.084 and 2009 c 238 s 8 are each amended to  
9 read as follows:

10 (1) The ((~~board~~)) office shall work with institutions of higher  
11 education to assure that the institutions are aware of the eligibility  
12 of opportunity internship graduates for an award under this chapter.

13 (2) If an opportunity internship graduate enrolls within one year  
14 of high school graduation in a postsecondary program of study in an  
15 institution of higher education, including in an apprenticeship program  
16 with related and supplemental instruction provided through an  
17 institution of higher education, the graduate is eligible to receive a  
18 state need grant for up to one year. The graduate shall not be  
19 required to be enrolled on at least a half-time basis. The related and  
20 supplemental instruction provided to a graduate through an  
21 apprenticeship program shall not be required to lead to a degree or  
22 certificate.

23 (3) Except for the eligibility criteria for an opportunity  
24 internship graduate that are provided under this section, other rules  
25 pertaining to award of a state need grant apply.

26 (4) Nothing in this section precludes an opportunity internship  
27 graduate from being eligible to receive additional state need grants  
28 after the one-year grant provided in this section if the graduate meets  
29 other criteria as a needy or disadvantaged student.

30 **Sec. 164.** RCW 28B.92.120 and 2004 c 275 s 41 are each amended to  
31 read as follows:

32 Funds appropriated for student financial assistance to be granted  
33 pursuant to this chapter shall be disbursed as determined by the  
34 ((~~board~~)) office.



1       **Sec. 168.** RCW 28B.95.020 and 2007 c 405 s 8 are each amended to  
2 read as follows:

3       The definitions in this section apply throughout this chapter,  
4 unless the context clearly requires otherwise.

5       (1) "Academic year" means the regular nine-month, three-quarter, or  
6 two-semester period annually occurring between August 1st and July  
7 31st.

8       (2) "Account" means the Washington advanced college tuition payment  
9 program account established for the deposit of all money received by  
10 the board from eligible purchasers and interest earnings on investments  
11 of funds in the account, as well as for all expenditures on behalf of  
12 eligible beneficiaries for the redemption of tuition units and for the  
13 development of any authorized college savings program pursuant to RCW  
14 28B.95.150.

15       (3) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
16 ~~board)~~) office of student financial assistance as defined in chapter  
17 28B.76 RCW.

18       (4) "Committee on advanced tuition payment" or "committee" means a  
19 committee of the following members: The state treasurer, the director  
20 of the office of financial management, the (~~(executive)~~) director of  
21 the (~~(higher education coordinating board)~~) office, or their designees,  
22 and two members to be appointed by the governor, one representing  
23 program participants and one private business representative with  
24 marketing, public relations, or financial expertise.

25       (5) "Governing body" means the committee empowered by the  
26 legislature to administer the Washington advanced college tuition  
27 payment program.

28       (6) "Contractual obligation" means a legally binding contract of  
29 the state with the purchaser and the beneficiary establishing that  
30 purchases of tuition units will be worth the same number of tuition  
31 units at the time of redemption as they were worth at the time of the  
32 purchase.

33       (7) "Eligible beneficiary" means the person for whom the tuition  
34 unit will be redeemed for attendance at an institution of higher  
35 education. The beneficiary is that person named by the purchaser at  
36 the time that a tuition unit contract is accepted by the governing  
37 body. Qualified organizations, as allowed under section 529 of the

1 federal internal revenue code, purchasing tuition unit contracts as  
2 future scholarships need not designate a beneficiary at the time of  
3 purchase.

4 (8) "Eligible purchaser" means an individual or organization that  
5 has entered into a tuition unit contract with the governing body for  
6 the purchase of tuition units for an eligible beneficiary. The state  
7 of Washington may be an eligible purchaser for purposes of purchasing  
8 tuition units to be held for granting Washington college bound  
9 scholarships.

10 (9) "Full-time tuition charges" means resident tuition charges at  
11 a state institution of higher education for enrollments between ten  
12 credits and eighteen credit hours per academic term.

13 (10) "Institution of higher education" means an institution that  
14 offers education beyond the secondary level and is recognized by the  
15 internal revenue service under chapter 529 of the internal revenue  
16 code.

17 (11) "Investment board" means the state investment board as defined  
18 in chapter 43.33A RCW.

19 (12) "State institution of higher education" means institutions of  
20 higher education as defined in RCW 28B.10.016.

21 (13) "Tuition and fees" means undergraduate tuition and services  
22 and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded  
23 to the nearest whole dollar. For purposes of this chapter, services  
24 and activities fees do not include fees charged for the payment of  
25 bonds heretofore or hereafter issued for, or other indebtedness  
26 incurred to pay, all or part of the cost of acquiring, constructing, or  
27 installing any lands, buildings, or facilities.

28 (14) "Tuition unit contract" means a contract between an eligible  
29 purchaser and the governing body, or a successor agency appointed for  
30 administration of this chapter, for the purchase of tuition units for  
31 a specified beneficiary that may be redeemed at a later date for an  
32 equal number of tuition units.

33 (15) "Unit purchase price" means the minimum cost to purchase one  
34 tuition unit for an eligible beneficiary. Generally, the minimum  
35 purchase price is one percent of the undergraduate tuition and fees for  
36 the current year, rounded to the nearest whole dollar, adjusted for the  
37 costs of administration and adjusted to ensure the actuarial soundness  
38 of the account. The analysis for price setting shall also include, but

1 not be limited to consideration of past and projected patterns of  
2 tuition increases, program liability, past and projected investment  
3 returns, and the need for a prudent stabilization reserve.

4 **Sec. 169.** RCW 28B.95.025 and 2000 c 14 s 2 are each amended to  
5 read as follows:

6 The ((~~board~~)) office shall maintain appropriate offices and employ  
7 and fix compensation of such personnel as may be necessary to perform  
8 the advanced college tuition payment program duties. The ((~~board~~))  
9 office shall consult with the governing body on the selection,  
10 compensation, and other issues relating to the employment of the  
11 program director. The positions are exempt from classified service  
12 under chapter 41.06 RCW. The employees shall be employees of the  
13 ((~~higher education coordinating board~~)) office.

14 **Sec. 170.** RCW 28B.95.030 and 2005 c 272 s 2 are each amended to  
15 read as follows:

16 (1) The Washington advanced college tuition payment program shall  
17 be administered by the committee on advanced tuition payment which  
18 shall be chaired by the ((~~executive~~)) director of the ((~~board~~)) office.  
19 The committee shall be supported by staff of the ((~~board~~)) office.

20 (2)(a) The Washington advanced college tuition payment program  
21 shall consist of the sale of tuition units, which may be redeemed by  
22 the beneficiary at a future date for an equal number of tuition units  
23 regardless of any increase in the price of tuition, that may have  
24 occurred in the interval.

25 (b) Each purchase shall be worth a specific number of or fraction  
26 of tuition units at each state institution of higher education as  
27 determined by the governing body.

28 (c) The number of tuition units necessary to pay for a full year's,  
29 full-time undergraduate tuition and fee charges at a state institution  
30 of higher education shall be set by the governing body at the time a  
31 purchaser enters into a tuition unit contract.

32 (d) The governing body may limit the number of tuition units  
33 purchased by any one purchaser or on behalf of any one beneficiary,  
34 however, no limit may be imposed that is less than that necessary to  
35 achieve four years of full-time, undergraduate tuition charges at a

1 state institution of higher education. The governing body also may, at  
2 its discretion, limit the number of participants, if needed, to ensure  
3 the actuarial soundness and integrity of the program.

4 (e) While the Washington advanced college tuition payment program  
5 is designed to help all citizens of the state of Washington, the  
6 governing body may determine residency requirements for eligible  
7 purchasers and eligible beneficiaries to ensure the actuarial soundness  
8 and integrity of the program.

9 (3)(a) No tuition unit may be redeemed until two years after the  
10 purchase of the unit. Units may be redeemed for enrollment at any  
11 institution of higher education that is recognized by the internal  
12 revenue service under chapter 529 of the internal revenue code.

13 (b) Units redeemed at a nonstate institution of higher education or  
14 for graduate enrollment shall be redeemed at the rate for state public  
15 institutions in effect at the time of redemption.

16 (4) The governing body shall determine the conditions under which  
17 the tuition benefit may be transferred to another family member. In  
18 permitting such transfers, the governing body may not allow the tuition  
19 benefit to be bought, sold, bartered, or otherwise exchanged for goods  
20 and services by either the beneficiary or the purchaser.

21 (5) The governing body shall administer the Washington advanced  
22 college tuition payment program in a manner reasonably designed to be  
23 actuarially sound, such that the assets of the trust will be sufficient  
24 to defray the obligations of the trust including the costs of  
25 administration. The governing body may, at its discretion, discount  
26 the minimum purchase price for certain kinds of purchases such as those  
27 from families with young children, as long as the actuarial soundness  
28 of the account is not jeopardized.

29 (6) The governing body shall annually determine current value of a  
30 tuition unit.

31 (7) The governing body shall promote, advertise, and publicize the  
32 Washington advanced college tuition payment program.

33 (8) In addition to any other powers conferred by this chapter, the  
34 governing body may:

35 (a) Impose reasonable limits on the number of tuition units or  
36 units that may be used in any one year;

37 (b) Determine and set any time limits, if necessary, for the use of  
38 benefits under this chapter;

1 (c) Impose and collect administrative fees and charges in  
2 connection with any transaction under this chapter;

3 (d) Appoint and use advisory committees as needed to provide  
4 program direction and guidance;

5 (e) Formulate and adopt all other policies and rules necessary for  
6 the efficient administration of the program;

7 (f) Consider the addition of an advanced payment program for room  
8 and board contracts and also consider a college savings program;

9 (g) Purchase insurance from insurers licensed to do business in the  
10 state, to provide for coverage against any loss in connection with the  
11 account's property, assets, or activities or to further insure the  
12 value of the tuition units;

13 (h) Make, execute, and deliver contracts, conveyances, and other  
14 instruments necessary to the exercise and discharge of its powers and  
15 duties under this chapter;

16 (i) Contract for the provision for all or part of the services  
17 necessary for the management and operation of the program with other  
18 state or nonstate entities authorized to do business in the state;

19 (j) Contract for other services or for goods needed by the  
20 governing body in the conduct of its business under this chapter;

21 (k) Contract with financial consultants, actuaries, auditors, and  
22 other consultants as necessary to carry out its responsibilities under  
23 this chapter;

24 (l) Solicit and accept cash donations and grants from any person,  
25 governmental agency, private business, or organization; and

26 (m) Perform all acts necessary and proper to carry out the duties  
27 and responsibilities of this program under this chapter.

28 **Sec. 171.** RCW 28B.95.040 and 1997 c 289 s 4 are each amended to  
29 read as follows:

30 The governing body may, at its discretion, allow an organization to  
31 purchase tuition units for future use as scholarships. Such  
32 organizations electing to purchase tuition units for this purpose must  
33 enter into a contract with the governing body which, at a minimum,  
34 ensures that the scholarship shall be freely given by the purchaser to  
35 a scholarship recipient. For such purchases, the purchaser need not  
36 name a beneficiary until four months before the date when the tuition  
37 units are first expected to be used.

1 The governing body shall formulate and adopt such rules as are  
2 necessary to determine which organizations may qualify to purchase  
3 tuition units for scholarships under this section. The governing body  
4 also may consider additional rules for the use of tuition units if  
5 purchased as scholarships.

6 The governing body may establish a scholarship fund with moneys  
7 from the Washington advanced college tuition payment program account.  
8 A scholarship fund established under this authority shall be  
9 administered by the (~~higher education coordinating board~~) office and  
10 shall be provided to students who demonstrate financial need.  
11 Financial need is not a criterion that any other organization need  
12 consider when using tuition units as scholarships. The (~~board~~)  
13 office also may establish its own corporate-sponsored scholarship fund  
14 under this chapter.

15 **Sec. 172.** RCW 28B.95.060 and 2007 c 214 s 13 are each amended to  
16 read as follows:

17 (1) The Washington advanced college tuition payment program account  
18 is created in the custody of the state treasurer. The account shall be  
19 a discrete nontreasury account retaining its interest earnings in  
20 accordance with RCW 43.79A.040.

21 (2)(a) Except as provided in (b) of this subsection, the governing  
22 body shall deposit in the account all money received for the program.  
23 The account shall be self-sustaining and consist of payments received  
24 from purchasers of tuition units and funds received from other sources,  
25 public or private. With the exception of investment and operating  
26 costs associated with the investment of money by the investment board  
27 paid under RCW 43.33A.160 and 43.84.160, the account shall be credited  
28 with all investment income earned by the account. Disbursements from  
29 the account are exempt from appropriations and the allotment provisions  
30 of chapter 43.88 RCW. Money used for program administration is subject  
31 to the allotment of all expenditures. However, an appropriation is not  
32 required for such expenditures. Program administration shall include,  
33 but not be limited to: The salaries and expenses of the program  
34 personnel including lease payments, travel, and goods and services  
35 necessary for program operation; contracts for program promotion and  
36 advertisement, audits, and account management; and other general costs  
37 of conducting the business of the program.

1 (b) All money received by the program from the (~~higher education~~  
2 ~~coordinating board~~) office for the GET ready for math and science  
3 scholarship program shall be deposited in the GET ready for math and  
4 science scholarship account created in RCW 28B.105.110.

5 (3) The assets of the account may be spent without appropriation  
6 for the purpose of making payments to institutions of higher education  
7 on behalf of the qualified beneficiaries, making refunds, transfers, or  
8 direct payments upon the termination of the Washington advanced college  
9 tuition payment program. Disbursements from the account shall be made  
10 only on the authorization of the governing body.

11 (4) With regard to the assets of the account, the state acts in a  
12 fiduciary, not ownership, capacity. Therefore the assets of the  
13 program are not considered state money, common cash, or revenue to the  
14 state.

15 **Sec. 173.** RCW 28B.95.160 and 2007 c 214 s 12 are each amended to  
16 read as follows:

17 Ownership of tuition units purchased by the (~~higher education~~  
18 ~~coordinating board~~) office for the GET ready for math and science  
19 scholarship program under RCW 28B.105.070 shall be in the name of the  
20 state of Washington and may be redeemed by the state of Washington on  
21 behalf of recipients of GET ready for math and science scholarship  
22 program scholarships for tuition and fees.

23 **Sec. 174.** RCW 28B.97.010 and 2009 c 215 s 13 are each amended to  
24 read as follows:

25 (1) The Washington higher education loan program is created. The  
26 program is created to assist students in need of additional low-cost  
27 student loans and related loan benefits.

28 (2) The program shall be administered by the (~~board~~) office. In  
29 administering the program, the (~~board~~) office must:

30 (a) Periodically assess the needs and target the benefits to  
31 selected students;

32 (b) Devise a program to address the following issues related to  
33 loans:

- 34 (i) Issuance of low-interest educational loans;
- 35 (ii) Determining loan repayment obligations and options;
- 36 (iii) Borrowing educational loans at low interest rates;

1 (iv) Developing conditional loans that can be forgiven in exchange  
2 for service; and  
3 (v) Creating an emergency loan fund to help students until other  
4 state and federal long-term financing can be secured;  
5 (c) Accept public and private contributions;  
6 (d) Publicize the program; and  
7 (e) Work with public and private colleges and universities, the  
8 state board for community and technical colleges, the workforce  
9 training and education coordinating board, and with students, to  
10 conduct periodic assessment of program needs. The (~~board~~) office may  
11 also consult with other groups and individuals as needed.

12 **Sec. 175.** RCW 28B.97.020 and 2009 c 215 s 14 are each amended to  
13 read as follows:

14 The definitions in this section apply throughout this chapter  
15 unless the context clearly requires otherwise.

16 (1) (~~("Board" means the higher education coordinating board.~~  
17 ~~(2))~~) "Institution of higher education" means a college or  
18 university in the state of Washington that is accredited by an  
19 accrediting association recognized as such by rule of the board.

20 (2) "Office" means the office of student financial assistance.

21 (3) "Program" means the Washington higher education loan program.

22 (4) "Resident student" has the definition in RCW 28B.15.012(2) (a)  
23 through (d).

24 **Sec. 176.** RCW 28B.102.020 and 2004 c 58 s 2 are each amended to  
25 read as follows:

26 Unless the context clearly requires otherwise, the definitions in  
27 this section apply throughout this chapter.

28 (1) "Conditional scholarship" means a loan that is forgiven in  
29 whole or in part if the recipient renders service as a teacher in an  
30 approved education program in this state.

31 (2) "Institution of higher education" or "institution" means a  
32 college or university in the state of Washington that is accredited by  
33 an accrediting association recognized as such by rule of the council  
34 for higher education (~~(coordinating board)~~).

35 (3) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
36 ~~board)~~) office of student financial assistance.

1 (4) "Eligible student" means a student who is registered for at  
2 least six credit hours or the equivalent, demonstrates high academic  
3 achievement, is a resident student as defined by RCW 28B.15.012 and  
4 28B.15.013, and has a declared intention to complete an approved  
5 preparation program leading to initial teacher certification or  
6 required for earning an additional endorsement, and commits to teaching  
7 service in the state of Washington.

8 (5) "Public school" means an elementary school, a middle school,  
9 junior high school, or high school within the public school system  
10 referred to in Article IX of the state Constitution.

11 (6) "Forgiven" or "to forgive" or "forgiveness" means to render  
12 service as a teacher in an approved education program in the state of  
13 Washington in lieu of monetary repayment.

14 (7) "Satisfied" means paid-in-full.

15 (8) "Participant" means an eligible student who has received a  
16 conditional scholarship or loan repayment under this chapter.

17 (9) "Loan repayment" means a federal student loan that is repaid in  
18 whole or in part if the recipient renders service as a teacher in an  
19 approved education program in Washington state.

20 (10) "Approved education program" means an education program in the  
21 state of Washington for knowledge and skills generally learned in  
22 preschool through twelfth grade. Approved education programs may  
23 include but are not limited to:

24 (a) K-12 schools under Title 28A RCW; or

25 (b) Other K-12 educational sites in the state of Washington as  
26 designated by the board.

27 (11) "Equalization fee" means the additional amount added to the  
28 principal of a loan under this chapter to equate the debt to that which  
29 the student would have incurred if the loan had been received through  
30 the federal subsidized Stafford student loan program.

31 (12) "Teacher shortage area" means a shortage of elementary or  
32 secondary school teachers in a specific subject area, discipline,  
33 classification, or geographic area as defined by the office of the  
34 superintendent of public instruction.

35 **Sec. 177.** RCW 28B.102.030 and 2004 c 58 s 3 are each amended to  
36 read as follows:

37 The future teachers conditional scholarship and loan repayment

1 program is established. The program shall be administered by the  
2 (~~higher education coordinating board~~) office. In administering the  
3 program, the board shall have the following powers and duties:

- 4 (1) Select students to receive conditional scholarships or loan  
5 repayments;
- 6 (2) Adopt necessary rules and guidelines;
- 7 (3) Publicize the program;
- 8 (4) Collect and manage repayments from students who do not meet  
9 their teaching obligations under this chapter; and
- 10 (5) Solicit and accept grants and donations from public and private  
11 sources for the program.

12 **Sec. 178.** RCW 28B.102.040 and 2008 c 170 s 306 are each amended to  
13 read as follows:

14 (1) The (~~board~~) office may select participants based on an  
15 application process conducted by the (~~board~~) office or the (~~board~~)  
16 office may utilize selection processes for similar students in  
17 cooperation with the professional educator standards board or the  
18 office of the superintendent of public instruction.

19 (2) If the (~~board~~) office selects participants for the program,  
20 it shall establish a selection committee for screening and selecting  
21 recipients of the conditional scholarships. The criteria shall  
22 emphasize factors demonstrating excellence including but not limited to  
23 superior scholastic achievement, leadership ability, community  
24 contributions, bilingual ability, willingness to commit to providing  
25 teaching service in shortage areas, and an ability to act as a role  
26 model for students. Priority will be given to individuals seeking  
27 certification or an additional endorsement in math, science, technology  
28 education, agricultural education, business and marketing education,  
29 family and consumer science education, or special education.

30 **Sec. 179.** RCW 28B.102.050 and 2004 c 58 s 6 are each amended to  
31 read as follows:

32 The (~~board~~) office may award conditional scholarships or provide  
33 loan repayments to eligible participants from the funds appropriated to  
34 the (~~board~~) office for this purpose, or from any private donations,  
35 or any other funds given to the (~~board~~) office for this program. The  
36 amount of the conditional scholarship or loan repayment awarded an

1 individual shall not exceed the amount of tuition and fees at the  
2 institution of higher education attended by the participant or resident  
3 undergraduate tuition and fees at the University of Washington per  
4 academic year for a full-time student, whichever is lower.  
5 Participants are eligible to receive conditional scholarships or loan  
6 repayments for a maximum of five years.

7 **Sec. 180.** RCW 28B.102.055 and 2004 c 58 s 8 are each amended to  
8 read as follows:

9 (1) Upon documentation of federal student loan indebtedness, the  
10 (~~board~~) office may enter into agreements with participants to repay  
11 all or part of a federal student loan in exchange for teaching service  
12 in an approved educational program. The ratio of loan repayment to  
13 years of teaching service for the loan repayment program shall be the  
14 same as established for the conditional scholarship program.

15 (2) The agreement shall specify the period of time it is in effect  
16 and detail the obligations of the (~~board~~) office and the participant,  
17 including the amount to be paid to the participant. The agreement may  
18 also specify the geographic location and subject matter area of  
19 teaching service for which loan repayment will be provided.

20 (3) At the end of each school year, a participant under this  
21 section shall provide evidence to the (~~board~~) office that the  
22 requisite teaching service has been provided. Upon receipt of the  
23 evidence, the (~~board~~) office shall pay the participant the agreed-  
24 upon amount for one year of full-time teaching service or a prorated  
25 amount for less than full-time teaching service. To qualify for  
26 additional loan repayments, the participant must be engaged in  
27 continuous teaching service as defined by the (~~board~~) office.

28 (4) The (~~board~~) office may, at its discretion, arrange to make  
29 the loan repayment directly to the holder of the participant's federal  
30 student loan.

31 (5) The (~~board's~~) office's obligations to a participant under  
32 this section shall cease when:

- 33 (a) The terms of the agreement have been fulfilled;
- 34 (b) The participant fails to maintain continuous teaching service  
35 as determined by the (~~board~~) office; or
- 36 (c) All of the participant's federal student loans have been  
37 repaid.

1 (6) The ((~~board~~)) office shall adopt rules governing loan  
2 repayments, including approved leaves of absence from continuous  
3 teaching service and other deferments as may be necessary.

4 **Sec. 181.** RCW 28B.102.060 and 2011 c 26 s 4 are each amended to  
5 read as follows:

6 (1) Participants in the conditional scholarship program incur an  
7 obligation to repay the conditional scholarship, with interest and an  
8 equalization fee, unless they teach for two years in an approved  
9 education program for each year of scholarship received, under rules  
10 adopted by the ((~~board~~)) office. Participants who teach in a  
11 designated teacher shortage area shall have one year of loan canceled  
12 for each year they teach in the shortage area.

13 (2) The interest rate shall be determined by the ((~~board~~)) office.  
14 Participants who fail to complete the teaching service shall incur an  
15 equalization fee based on the remaining unforgiven balance of the loan.  
16 The equalization fee shall be added to the remaining balance and repaid  
17 by the participant.

18 (3) The minimum payment shall be set by the ((~~board~~)) office. The  
19 maximum period for repayment shall be ten years, with payments of  
20 principal and interest commencing six months from the date the  
21 participant completes or discontinues the course of study. The  
22 interest rate shall be determined by the ((~~board~~)) office and be  
23 established by rule. Provisions for deferral of payment shall be  
24 determined by the ((~~board~~)) office. The ((~~board~~)) office shall  
25 establish an appeal process by rule.

26 (4) The entire principal and interest of each payment shall be  
27 forgiven for each payment period in which the participant teaches in an  
28 approved education program until the entire repayment obligation is  
29 satisfied. Should the participant cease to teach in an approved  
30 education program in this state before the participant's repayment  
31 obligation is completed, payments on the unsatisfied portion of the  
32 principal and interest shall begin the next payment period and continue  
33 until the remainder of the participant's repayment obligation is  
34 satisfied.

35 (5) The ((~~board~~)) office is responsible for collection of  
36 repayments made under this section and shall exercise due diligence in  
37 such collection, maintaining all necessary records to insure that

1 maximum repayments are made. Collection and servicing of repayments  
2 under this section shall be pursued using the full extent of the law,  
3 including wage garnishment if necessary. The ((~~board~~)) office is  
4 responsible to forgive all or parts of such repayments under the  
5 criteria established in this section and shall maintain all necessary  
6 records of forgiven payments.

7 (6) Receipts from the payment of principal or interest or any other  
8 subsidies to which the ((~~board~~)) office as administrator is entitled,  
9 which are paid by or on behalf of participants under this section,  
10 shall be deposited in the future teachers conditional scholarship  
11 account and shall be used to cover the costs of granting the  
12 conditional scholarships, maintaining necessary records, and making  
13 collections under subsection (5) of this section. The ((~~board~~)) office  
14 shall maintain accurate records of these costs, and all receipts beyond  
15 those necessary to pay such costs shall be used to grant conditional  
16 scholarships to eligible students.

17 (7) The ((~~board~~)) office shall adopt rules to define the terms of  
18 repayment, including applicable interest rates, fees, and deferments.

19 **Sec. 182.** RCW 28B.102.080 and 2010 1st sp.s. c 37 s 917 are each  
20 amended to read as follows:

21 (1) The future teachers conditional scholarship account is created  
22 in the custody of the state treasurer. An appropriation is not  
23 required for expenditures of funds from the account. The account is  
24 not subject to allotment procedures under chapter 43.88 RCW except for  
25 moneys used for program administration.

26 (2) The ((~~board~~)) office shall deposit in the account all moneys  
27 received for the future teachers conditional scholarship and loan  
28 repayment program and for conditional loan programs under chapter  
29 28A.660 RCW. The account shall be self-sustaining and consist of funds  
30 appropriated by the legislature for the future teachers conditional  
31 scholarship and loan repayment program, private contributions to the  
32 program, receipts from participant repayments from the future teachers  
33 conditional scholarship and loan repayment program, and conditional  
34 loan programs established under chapter 28A.660 RCW. Beginning July 1,  
35 2004, the ((~~board~~)) office shall also deposit into the account: (a)  
36 All funds from the institution of higher education loan account that

1 are traceable to any conditional scholarship program for teachers or  
2 prospective teachers established by the legislature before June 10,  
3 2004; and (b) all amounts repaid by individuals under any such program.

4 (3) Expenditures from the account may be used solely for  
5 conditional loans and loan repayments to participants in the future  
6 teachers conditional scholarship and loan repayment program established  
7 by this chapter, conditional scholarships for participants in programs  
8 established in chapter 28A.660 RCW, and costs associated with program  
9 administration by the (~~board~~) office.

10 (4) Disbursements from the account may be made only on the  
11 authorization of the (~~board~~) office.

12 (5) During the 2009-2011 fiscal biennium, the legislature may  
13 transfer from the future teachers conditional scholarship account to  
14 the state general fund such amounts as reflect the excess fund balance  
15 of the account.

16 **Sec. 183.** RCW 28B.105.020 and 2007 c 214 s 2 are each amended to  
17 read as follows:

18 The definitions in this section apply throughout this chapter  
19 unless the context clearly requires otherwise.

20 (1) (~~"Board" means the higher education coordinating board.~~  
21 ~~(2)~~) "GET units" means tuition units under the advanced college  
22 tuition payment program in chapter 28B.95 RCW.

23 (~~(3)~~) (2) "Institution of higher education" has the same meaning  
24 as in RCW 28B.92.030.

25 (3) "Office" means the office of student financial assistance.

26 (4) "Program administrator" means the private nonprofit corporation  
27 that is registered under Title 24 RCW and qualified as a tax-exempt  
28 entity under section 501(c)(3) of the federal internal revenue code,  
29 that will serve as the private partner in the public-private  
30 partnership under this chapter.

31 (5) "Qualified program" or "qualified major" means a mathematics,  
32 science, or related degree program or major line of study offered by an  
33 institution of higher education that is included on the list of  
34 programs or majors selected by the board and the program administrator  
35 under RCW 28B.105.100.

1       **Sec. 184.** RCW 28B.105.040 and 2007 c 214 s 4 are each amended to  
2 read as follows:

3       (1) If the student enrolls in a qualified program or declares a  
4 qualified major and the program or major is subsequently removed from  
5 the list of qualified programs and qualified majors by the ((~~board~~))  
6 office and the program administrator, the student's eligibility to  
7 receive a GET ready for math and science scholarship shall not be  
8 affected.

9       (2) If a student who received a GET ready for math and science  
10 scholarship ceases to be enrolled in an institution of higher  
11 education, withdraws or is no longer enrolled in a qualified program,  
12 declares a major that is not a qualified major, or otherwise is no  
13 longer eligible to receive a GET ready for math and science  
14 scholarship, the student shall notify the program administrator as soon  
15 as practicable and is not eligible for further GET ready for math and  
16 science scholarship awards. Such a student shall also repay the amount  
17 of the GET ready for math and science scholarship awarded to the  
18 student as required by RCW 28B.105.050.

19       **Sec. 185.** RCW 28B.105.050 and 2007 c 214 s 5 are each amended to  
20 read as follows:

21       (1) A recipient of a GET ready for math and science scholarship  
22 incurs an obligation to repay the scholarship, with interest and an  
23 equalization fee, if he or she does not:

24       (a) Graduate with a bachelor's degree from a qualified program or  
25 in a qualified major within five years of first enrolling at an  
26 institution of higher education; and

27       (b) Work in Washington in a mathematics, science, or related  
28 occupation full time for at least three years following completion of  
29 a bachelor's degree, unless he or she is enrolled in a graduate degree  
30 program as provided in subsection (4) of this section.

31       (2) A former scholarship recipient who has earned a bachelor's  
32 degree shall annually verify to the ((~~board~~)) office that he or she is  
33 working full time in a mathematics, science, or related field for three  
34 years.

35       (3) If a former scholarship recipient begins but then stops working  
36 full time in a mathematics, science, or related field within three  
37 years following completion of a bachelor's degree, he or she shall pay

1 back a prorated portion of the amount of the GET ready for math and  
2 science scholarship award received by the recipient, plus interest and  
3 a prorated equalization fee.

4 (4) A recipient may postpone for up to three years his or her in-  
5 state work obligation if he or she enrolls full time in a graduate  
6 degree program in mathematics, science, or a related field.

7 **Sec. 186.** RCW 28B.105.070 and 2007 c 214 s 7 are each amended to  
8 read as follows:

9 The ((~~board~~)) office shall:

10 (1) Purchase GET units to be owned and held in trust by the  
11 ((~~board~~)) office, for the purpose of scholarship awards as provided for  
12 in this section;

13 (2) Distribute scholarship funds, in the form of GET units or  
14 through direct payments from the GET ready for math and science  
15 scholarship account, to institutions of higher education on behalf of  
16 eligible recipients identified by the program administrator;

17 (3) Provide the program administrator with annual reports regarding  
18 enrollment, contact, and graduation information of GET ready for math  
19 and science scholarship recipients, if the recipients have given  
20 permission for the ((~~board~~)) office to do so;

21 (4) Collect repayments from former scholarship recipients who do  
22 not meet the eligibility criteria or work obligations;

23 (5) Establish rules for scholarship repayment, approved leaves of  
24 absence, deferments, and exceptions to recognize extenuating  
25 circumstances that may impact students; and

26 (6) Provide information to school districts in Washington, at least  
27 once per year, about the GET ready for math and science scholarship  
28 program.

29 **Sec. 187.** RCW 28B.105.100 and 2007 c 214 s 10 are each amended to  
30 read as follows:

31 The ((~~board~~)) office and the program administrator shall jointly:

32 (1) Determine criteria for qualifying undergraduate programs,  
33 majors, and courses leading to a bachelor's degree in mathematics,  
34 science, or a related field, offered by institutions of higher  
35 education. The ((~~board~~)) office shall publish the criteria for

1 qualified courses, and lists of qualified programs and qualified  
2 majors, on its web site on a biennial basis; and

3 (2) Establish criteria for selecting among eligible applicants  
4 those who, without scholarship assistance, would be least likely to  
5 pursue a qualified undergraduate program at an institution of higher  
6 education in Washington state.

7 **Sec. 188.** RCW 28B.105.110 and 2010 1st sp.s. c 37 s 918 are each  
8 amended to read as follows:

9 (1) The GET ready for math and science scholarship account is  
10 created in the custody of the state treasurer.

11 (2) The ((board)) office shall deposit into the account all money  
12 received for the GET ready for math and science scholarship program  
13 from appropriations and private sources. The account shall be  
14 self-sustaining.

15 (3) Expenditures from the account shall be used for scholarships to  
16 eligible students and for purchases of GET units. Purchased GET units  
17 shall be owned and held in trust by the ((board)) office. Expenditures  
18 from the account shall be an equal match of state appropriations and  
19 private funds raised by the program administrator. During the 2009-  
20 2011 fiscal biennium, expenditures from the account not to exceed five  
21 percent may be used by the program administrator to carry out the  
22 provisions of RCW 28B.105.090.

23 (4) With the exception of the operating costs associated with the  
24 management of the account by the treasurer's office as authorized in  
25 chapter 43.79A RCW, the account shall be credited with all investment  
26 income earned by the account.

27 (5) Disbursements from the account are exempt from appropriations  
28 and the allotment provisions of chapter 43.88 RCW.

29 (6) Disbursements from the account shall be made only on the  
30 authorization of the ((board)) office.

31 ~~(7) ((During the 2007-2009 fiscal biennium, the legislature may  
32 transfer state appropriations to the GET ready for math and science  
33 scholarship account that have not been matched by private contributions  
34 to the state general fund.~~

35 (+8)) During the 2009-2011 fiscal biennium, the legislature may  
36 transfer from the GET ready for math and science scholarship account to

1 the state general fund such amounts as have not been donated from or  
2 matched by private contributions.

3 **Sec. 189.** RCW 28B.106.010 and 1988 c 125 s 9 are each amended to  
4 read as follows:

5 The following definitions shall apply throughout this chapter,  
6 unless the context clearly indicates otherwise:

7 (1) "College savings bonds" or "bonds" are Washington state general  
8 obligation bonds, issued under the authority of and in accordance with  
9 this chapter.

10 (2) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
11 ~~board)~~) office of student financial assistance, or any successor  
12 thereto.

13 **Sec. 190.** RCW 28B.106.070 and 1988 c 125 s 16 are each amended to  
14 read as follows:

15 The (~~board~~) office and the state finance committee shall create  
16 and implement marketing strategies and educational programs designed to  
17 publicize the college savings bond program to Washington residents.

18 **Sec. 191.** RCW 28B.108.010 and 2004 c 275 s 69 are each amended to  
19 read as follows:

20 Unless the context clearly requires otherwise, the definitions in  
21 this section apply throughout this chapter.

22 (1) "Institution of higher education" or "institution" means a  
23 college or university in the state of Washington which is accredited by  
24 an accrediting association recognized as such by rule of the council  
25 for higher education (~~(coordinating board)~~).

26 (2) (~~("Board")~~) "Office" means the (~~(higher education coordinating~~  
27 ~~board)~~) office of student financial assistance.

28 (3) "Eligible student" or "student" means an American Indian who is  
29 a financially needy student, as defined in RCW 28B.92.030, who is a  
30 resident student, as defined by RCW 28B.15.012(2), who is a full-time  
31 student at an institution of higher education, and who promises to use  
32 his or her education to benefit other American Indians.

33 **Sec. 192.** RCW 28B.108.020 and 2009 c 259 s 1 are each amended to  
34 read as follows:

1 The American Indian endowed scholarship program is created. The  
2 program shall be administered by the (~~higher education coordinating~~  
3 ~~board~~) office. In administering the program, the board's powers and  
4 duties shall include but not be limited to:

5 (1) Selecting students to receive scholarships, with the assistance  
6 of a screening committee composed of persons involved in helping  
7 American Indian students to obtain a higher education. The membership  
8 of the committee may include, but is not limited to representatives of:  
9 Indian tribes, urban Indians, the governor's office of Indian affairs,  
10 the Washington state Indian education association, and institutions of  
11 higher education;

12 (2) Adopting necessary rules and guidelines;

13 (3) Publicizing the program;

14 (4) Accepting and depositing donations into the endowment fund  
15 created in RCW 28B.108.060;

16 (5) Requesting from the state investment board and accepting from  
17 the state treasurer moneys earned from the endowment fund created in  
18 RCW 28B.108.060;

19 (6) Soliciting and accepting grants and donations from public and  
20 private sources for the program; and

21 (7) Naming scholarships in honor of those American Indians from  
22 Washington who have acted as role models.

23 **Sec. 193.** RCW 28B.108.030 and 1991 c 228 s 11 are each amended to  
24 read as follows:

25 The (~~higher education coordinating board~~) office shall establish  
26 an advisory committee to assist in program design and to develop  
27 criteria for the screening and selection of scholarship recipients.  
28 The committee shall be composed of representatives of the same groups  
29 as the screening committee described in RCW 28B.108.020. The criteria  
30 shall assess the student's social and cultural ties to an American  
31 Indian community within the state. The criteria shall include a  
32 priority for upper-division or graduate students. The criteria may  
33 include a priority for students who are majoring in program areas in  
34 which expertise is needed by the state's American Indians.

35 **Sec. 194.** RCW 28B.108.060 and 2009 c 259 s 2 are each amended to  
36 read as follows:

1 The American Indian scholarship endowment fund is created in the  
2 custody of the state treasurer. The investment of the endowment fund  
3 shall be managed by the state investment board. Funds appropriated by  
4 the legislature for the endowment fund must be deposited into the fund.

5 (1) Moneys received from the (~~higher-education-coordinating~~  
6 ~~board~~) office, private donations, state moneys, and funds received  
7 from any other source may be deposited into the endowment fund.  
8 Private moneys received as a gift subject to conditions may be  
9 deposited into the fund.

10 (2) At the request of the (~~higher-education-coordinating board~~)  
11 office, the state investment board shall release earnings from the  
12 endowment fund to the state treasurer. The state treasurer shall then  
13 release those funds at the request of the (~~higher-education~~  
14 ~~coordinating-board~~) office for scholarships. No appropriation is  
15 required for expenditures from the endowment fund.

16 (3) When notified by the (~~higher-education-coordinating board~~)  
17 office that a condition attached to a gift of private moneys in the  
18 fund has failed, the state investment board shall release those moneys  
19 to the (~~higher-education-coordinating board~~) office. The (~~higher~~  
20 ~~education-coordinating-board~~) office shall then release the moneys to  
21 the donors according to the terms of the conditional gift.

22 (4) The principal of the endowment fund shall not be invaded. The  
23 release of moneys under subsection (3) of this section shall not  
24 constitute an invasion of corpus.

25 (5) The earnings on the fund shall be used solely for the purposes  
26 set forth in RCW 28B.108.040, except when the terms of a conditional  
27 gift of private moneys in the fund require that a portion of earnings  
28 on such moneys be reinvested in the fund.

29 **Sec. 195.** RCW 28B.109.010 and 1996 c 253 s 401 are each amended to  
30 read as follows:

31 Unless the context clearly requires otherwise, the definitions in  
32 this section apply throughout this chapter.

33 (1) (~~"Board" means the higher-education-coordinating board.~~  
34 ~~(2)~~) "Eligible participant" means an international student whose  
35 country of residence has a trade relationship with the state of  
36 Washington.

1        ~~((3))~~ (2) "Institution of higher education" or "institution"  
2 means a college or university in the state of Washington that is  
3 accredited by an accrediting association recognized as such by rule of  
4 the board.

5        (3) "Office" means the office of student financial assistance.

6        (4) "Service obligation" means volunteering for a minimum number of  
7 hours as established by the board based on the amount of scholarship  
8 award, to speak to or teach groups of Washington citizens, including  
9 but not limited to elementary, middle, and high schools, service clubs,  
10 and universities.

11        (5) "Washington international exchange scholarship program" means  
12 a scholarship award for a period not to exceed one academic year to  
13 attend a Washington institution of higher education made to an  
14 international student whose country has an established trade  
15 relationship with Washington.

16        **Sec. 196.** RCW 28B.109.020 and 1996 c 253 s 402 are each amended to  
17 read as follows:

18        The Washington international exchange scholarship program is  
19 created subject to funding under RCW 28B.109.060. The program shall be  
20 administered by the ~~((board))~~ office. In administering the program,  
21 the ~~((board))~~ office may:

22        (1) Convene an advisory committee that may include but need not be  
23 limited to representatives of the office of the superintendent of  
24 public instruction, the department of ~~((community, trade, and economic  
25 development))~~ commerce, the secretary of state, private business, and  
26 institutions of higher education;

27        (2) Select students to receive the scholarship with the assistance  
28 of a screening committee composed of leaders in business, international  
29 trade, and education;

30        (3) Adopt necessary rules and guidelines including rules for  
31 disbursing scholarship funds to participants;

32        (4) Publicize the program;

33        (5) Solicit and accept grants and donations from public and private  
34 sources for the program;

35        (6) Establish and notify participants of service obligations; and

36        (7) Establish a formula for selecting the countries from which

1 participants may be selected in consultation with the \*department of  
2 community, trade, and economic development.

3 **Sec. 197.** RCW 28B.109.030 and 1996 c 253 s 403 are each amended to  
4 read as follows:

5 The ((~~board~~)) office may negotiate and enter into a reciprocal  
6 agreement with foreign countries that have international students  
7 attending institutions in Washington. The goal of the reciprocal  
8 agreements shall be to allow Washington students enrolled in an  
9 institution of higher education to attend an international institution  
10 under similar terms and conditions.

11 **Sec. 198.** RCW 28B.109.040 and 1996 c 253 s 404 are each amended to  
12 read as follows:

13 If funds are available, the ((~~board~~)) office shall select students  
14 yearly to receive a Washington international exchange student  
15 scholarship from moneys earned from the Washington international  
16 exchange scholarship endowment fund created in RCW 28B.109.060, from  
17 funds appropriated to the ((~~board~~)) office for this purpose, or from  
18 any private donations, or from any other funds given to the ((~~board~~))  
19 office for this program.

20 **Sec. 199.** RCW 28B.109.050 and 1996 c 253 s 405 are each amended to  
21 read as follows:

22 The Washington international exchange trust fund is established in  
23 the custody of the state treasurer. Any funds appropriated by the  
24 legislature for the trust fund shall be deposited into the fund. At  
25 the request of the ((~~board~~)) office, and when conditions set forth in  
26 RCW 28B.109.070 are met, the treasurer shall deposit state matching  
27 moneys from the Washington international exchange trust fund into the  
28 Washington international exchange scholarship endowment fund. No  
29 appropriation is required for expenditures from the trust fund.

30 **Sec. 200.** RCW 28B.109.060 and 1996 c 253 s 406 are each amended to  
31 read as follows:

32 The Washington international exchange scholarship endowment fund is  
33 established in the custody of the state treasurer. Moneys received  
34 from the private donations and funds received from any other source may

1 be deposited into the endowment fund. At the request of the ((~~board~~))  
2 office, the treasurer shall release earnings from the endowment fund to  
3 the ((~~board~~)) office for scholarships. No appropriation is required  
4 for expenditures from the endowment fund. The principal of the  
5 endowment fund shall not be invaded. The earnings on the fund shall be  
6 used solely for the purposes in this chapter.

7 **Sec. 201.** RCW 28B.109.070 and 1996 c 253 s 407 are each amended to  
8 read as follows:

9 The ((~~board~~)) office may request that the treasurer deposit state  
10 matching funds into the Washington international exchange scholarship  
11 endowment fund when the ((~~board~~)) office can match the state funds with  
12 an equal amount of private cash donations, including conditional gifts.

13 **Sec. 202.** RCW 28B.109.080 and 1996 c 253 s 408 are each amended to  
14 read as follows:

15 Each Washington international exchange scholarship recipient shall  
16 agree to complete the service obligation as defined by the ((~~board~~))  
17 office.

18 **Sec. 203.** RCW 28B.110.040 and 1997 c 5 s 5 are each amended to  
19 read as follows:

20 The executive director of the higher education coordinating board,  
21 in consultation with the council of presidents and the state board for  
22 community and technical colleges, shall monitor the compliance by  
23 institutions of higher education with this chapter.

24 (1) The board shall establish a timetable and guidelines for  
25 compliance with this chapter.

26 (2) By November 30, 1990, each institution shall submit to the  
27 board for approval a plan to comply with the requirements of RCW  
28 28B.110.030. The plan shall contain measures to ensure institutional  
29 compliance with the provisions of this chapter by September 30, 1994.  
30 If participation in activities, such as intercollegiate athletics and  
31 matriculation in academic programs is not proportionate to the  
32 percentages of male and female enrollment, the plan should outline  
33 efforts to identify barriers to equal participation and to encourage  
34 gender equity in all aspects of college and university life.

1           (3) (~~The board shall report every four years, beginning December~~  
2 ~~31, 1998, to the governor and the higher education committees of the~~  
3 ~~house of representatives and the senate on institutional efforts to~~  
4 ~~comply with this chapter. The report shall include recommendations on~~  
5 ~~measures to assist institutions with compliance. This report may be~~  
6 ~~combined with the report required in RCW 28B.15.465.~~

7           (4)) The board may delegate to the state board for community and  
8 technical colleges any or all responsibility for community college  
9 compliance with the provisions of this chapter.

10           **Sec. 204.** RCW 28B.115.020 and 2011 c 26 s 1 are each amended to  
11 read as follows:

12           Unless the context clearly requires otherwise, the definitions in  
13 this section apply throughout this chapter.

14           (1) (~~"Board"~~) "Office" means the (~~higher education coordinating~~  
15 ~~board~~) office of student financial assistance.

16           (2) "Department" means the state department of health.

17           (3) "Eligible education and training programs" means education and  
18 training programs approved by the department that lead to eligibility  
19 for a credential as a credentialed health care professional.

20           (4) "Eligible expenses" means reasonable expenses associated with  
21 the costs of acquiring an education such as tuition, books, equipment,  
22 fees, room and board, and other expenses determined by the (~~board~~)  
23 office.

24           (5) "Eligible student" means a student who has been accepted into  
25 an eligible education or training program and has a declared intention  
26 to serve in a health professional shortage area upon completion of the  
27 education or training program.

28           (6) "Forgiven" or "to forgive" or "forgiveness" means to render  
29 health care services in a health professional shortage area in the  
30 state of Washington in lieu of monetary repayment.

31           (7) "Health professional shortage areas" means those areas where  
32 credentialed health care professionals are in short supply as a result  
33 of geographic maldistribution or as the result of a short supply of  
34 credentialed health care professionals in specialty health care areas  
35 and where vacancies exist in serious numbers that jeopardize patient  
36 care and pose a threat to the public health and safety. The department  
37 shall determine health professional shortage areas as provided for in

1 RCW 28B.115.070. In making health professional shortage area  
2 designations in the state the department may be guided by applicable  
3 federal standards for "health manpower shortage areas," and "medically  
4 underserved areas," and "medically underserved populations."

5 (8) "Credentialed health care profession" means a health care  
6 profession regulated by a disciplining authority in the state of  
7 Washington under RCW 18.130.040 or by the state board of pharmacy under  
8 chapter 18.64 RCW and designated by the department in RCW 28B.115.070  
9 as a profession having shortages of credentialed health care  
10 professionals in the state.

11 (9) "Credentialed health care professional" means a person  
12 regulated by a disciplining authority in the state of Washington to  
13 practice a health care profession under RCW 18.130.040 or by the state  
14 board of pharmacy under chapter 18.64 RCW.

15 (10) "Loan repayment" means a loan that is paid in full or in part  
16 if the participant renders health care services in a health  
17 professional shortage area as defined by the department.

18 (11) "Nonshortage rural area" means a nonurban area of the state of  
19 Washington that has not been designated as a rural physician shortage  
20 area. The department shall identify the nonshortage rural areas of the  
21 state.

22 (12) "Participant" means a credentialed health care professional  
23 who has received a loan repayment award and has commenced practice as  
24 a credentialed health care provider in a designated health professional  
25 shortage area or an eligible student who has received a scholarship  
26 under this program.

27 (13) "Program" means the health professional loan repayment and  
28 scholarship program.

29 (14) "Required service obligation" means an obligation by the  
30 participant to provide health care services in a health professional  
31 shortage area for a period to be established as provided for in this  
32 chapter.

33 (15) "Rural physician shortage area" means rural geographic areas  
34 where primary care physicians are in short supply as a result of  
35 geographic maldistributions and where their limited numbers jeopardize  
36 patient care and pose a threat to public health and safety. The  
37 department shall designate rural physician shortage areas.

38 (16) "Satisfied" means paid-in-full.

1 (17) "Scholarship" means a loan that is forgiven in whole or in  
2 part if the recipient renders health care services in a health  
3 professional shortage area.

4 (18) "Sponsoring community" means a rural hospital or hospitals as  
5 authorized in chapter 70.41 RCW, a rural health care facility or  
6 facilities as authorized in chapter 70.175 RCW, or a city or county  
7 government or governments.

8 **Sec. 205.** RCW 28B.115.030 and 1991 c 332 s 16 are each amended to  
9 read as follows:

10 The health professional loan repayment and scholarship program is  
11 established for credentialed health professionals serving in health  
12 professional shortage areas. The program shall be administered by the  
13 (~~higher education coordinating board~~) office. In (~~administering~~)  
14 administering this program, the (~~board~~) office shall:

15 (1) Select credentialed health care professionals to participate in  
16 the loan repayment portion of the loan repayment and scholarship  
17 program and select eligible students to participate in the scholarship  
18 portion of the loan repayment and scholarship program;

19 (2) Adopt rules and develop guidelines to administer the program;

20 (3) Collect and manage repayments from participants who do not meet  
21 their service obligations under this chapter;

22 (4) Publicize the program, particularly to maximize participation  
23 among individuals in shortage areas and among populations expected to  
24 experience the greatest growth in the workforce;

25 (5) Solicit and accept grants and donations from public and private  
26 sources for the program; and

27 (6) Develop criteria for a contract for service in lieu of the  
28 service obligation where appropriate, that may be a combination of  
29 service and payment.

30 **Sec. 206.** RCW 28B.115.050 and 2004 c 275 s 70 are each amended to  
31 read as follows:

32 The (~~board~~) office shall establish a planning committee to assist  
33 it in developing criteria for the selection of participants. The  
34 (~~board~~) office shall include on the planning committee  
35 representatives of the department, the department of social and health  
36 services, appropriate representatives from health care facilities,

1 provider groups, consumers, the state board for community and technical  
2 colleges, the superintendent of public instruction, and other  
3 appropriate public and private agencies and organizations. The  
4 criteria may require that some of the participants meet the definition  
5 of "needy student" under RCW 28B.92.030.

6 **Sec. 207.** RCW 28B.115.070 and 2003 c 278 s 3 are each amended to  
7 read as follows:

8 After June 1, 1992, the department, in consultation with the  
9 (~~board~~) office and the department of social and health services,  
10 shall:

11 (1) Determine eligible credentialed health care professions for the  
12 purposes of the loan repayment and scholarship program authorized by  
13 this chapter. Eligibility shall be based upon an assessment that  
14 determines that there is a shortage or insufficient availability of a  
15 credentialed profession so as to jeopardize patient care and pose a  
16 threat to the public health and safety. The department shall consider  
17 the relative degree of shortages among professions when determining  
18 eligibility. The department may add or remove professions from  
19 eligibility based upon the determination that a profession is no longer  
20 in shortage. Should a profession no longer be eligible, participants  
21 or eligible students who have received scholarships shall be eligible  
22 to continue to receive scholarships or loan repayments until they are  
23 no longer eligible or until their service obligation has been  
24 completed;

25 (2) Determine health professional shortage areas for each of the  
26 eligible credentialed health care professions.

27 **Sec. 208.** RCW 28B.115.080 and 1993 c 492 s 271 are each amended to  
28 read as follows:

29 After June 1, 1992, the (~~board~~) office, in consultation with the  
30 department and the department of social and health services, shall:

31 (1) Establish the annual award amount for each credentialed health  
32 care profession which shall be based upon an assessment of reasonable  
33 annual eligible expenses involved in training and education for each  
34 credentialed health care profession. The annual award amount may be  
35 established at a level less than annual eligible expenses. The annual

1 award amount shall be established by the ((~~board~~)) office for each  
2 eligible health profession. The awards shall not be paid for more than  
3 a maximum of five years per individual;

4 (2) Determine any scholarship awards for prospective physicians in  
5 such a manner to require the recipients declare an interest in serving  
6 in rural areas of the state of Washington. Preference for scholarships  
7 shall be given to students who reside in a rural physician shortage  
8 area or a nonshortage rural area of the state prior to admission to the  
9 eligible education and training program in medicine. Highest  
10 preference shall be given to students seeking admission who are  
11 recommended by sponsoring communities and who declare the intent of  
12 serving as a physician in a rural area. The ((~~board~~)) office may  
13 require the sponsoring community located in a nonshortage rural area to  
14 financially contribute to the eligible expenses of a medical student if  
15 the student will serve in the nonshortage rural area;

16 (3) Establish the required service obligation for each credentialed  
17 health care profession, which shall be no less than three years or no  
18 more than five years. The required service obligation may be based  
19 upon the amount of the scholarship or loan repayment award such that  
20 higher awards involve longer service obligations on behalf of the  
21 participant;

22 (4) Determine eligible education and training programs for purposes  
23 of the scholarship portion of the program;

24 (5) Honor loan repayment and scholarship contract terms negotiated  
25 between the ((~~board~~)) office and participants prior to May 21, 1991,  
26 concerning loan repayment and scholarship award amounts and service  
27 obligations authorized under chapter 28B.115, 28B.104, or 70.180 RCW.

28 **Sec. 209.** RCW 28B.115.090 and 2003 c 278 s 4 are each amended to  
29 read as follows:

30 (1) The ((~~board~~)) office may grant loan repayment and scholarship  
31 awards to eligible participants from the funds appropriated for this  
32 purpose, or from any private or public funds given to the ((~~board~~))  
33 office for this purpose. Participants are ineligible to receive loan  
34 repayment if they have received a scholarship from programs authorized  
35 under this chapter or chapter 70.180 RCW or are ineligible to receive  
36 a scholarship if they have received loan repayment authorized under  
37 this chapter or chapter 28B.115 RCW.

1 (2) Funds appropriated for the program, including reasonable  
2 administrative costs, may be used by the ((~~board~~)) office for the  
3 purposes of loan repayments or scholarships. The ((~~board~~)) office  
4 shall annually establish the total amount of funding to be awarded for  
5 loan repayments and scholarships and such allocations shall be  
6 established based upon the best utilization of funding for that year.

7 (3) One portion of the funding appropriated for the program shall  
8 be used by the ((~~board~~)) office as a recruitment incentive for  
9 communities participating in the community-based recruitment and  
10 retention program as authorized by chapter 70.185 RCW; one portion of  
11 the funding shall be used by the ((~~board~~)) office as a recruitment  
12 incentive for recruitment activities in state-operated institutions,  
13 county public health departments and districts, county human service  
14 agencies, federal and state contracted community health clinics, and  
15 other health care facilities, such as rural hospitals that have been  
16 identified by the department, as providing substantial amounts of  
17 charity care or publicly subsidized health care; one portion of the  
18 funding shall be used by the ((~~board~~)) office for all other awards.  
19 The ((~~board~~)) office shall determine the amount of total funding to be  
20 distributed between the three portions.

21 **Sec. 210.** RCW 28B.115.110 and 2011 c 26 s 2 are each amended to  
22 read as follows:

23 Participants in the health professional loan repayment and  
24 scholarship program who are awarded loan repayments shall receive  
25 payment from the program for the purpose of repaying educational loans  
26 secured while attending a program of health professional training which  
27 led to a credential as a credentialed health professional in the state  
28 of Washington.

29 (1) Participants shall agree to meet the required service  
30 obligation in a designated health professional shortage area.

31 (2) Repayment shall be limited to eligible educational and living  
32 expenses as determined by the ((~~board~~)) office and shall include  
33 principal and interest.

34 (3) Loans from both government and private sources may be repaid by  
35 the program. Participants shall agree to allow the ((~~board~~)) office  
36 access to loan records and to acquire information from lenders

1 necessary to verify eligibility and to determine payments. Loans may  
2 not be renegotiated with lenders to accelerate repayment.

3 (4) Repayment of loans established pursuant to this program shall  
4 begin no later than ninety days after the individual has become a  
5 participant. Payments shall be made quarterly, or more frequently if  
6 deemed appropriate by the ((~~board~~)) office, to the participant until  
7 the loan is repaid or the participant becomes ineligible due to  
8 discontinued service in a health professional shortage area or after  
9 the required service obligation when eligibility discontinues,  
10 whichever comes first.

11 (5) Should the participant discontinue service in a health  
12 professional shortage area, payments against the loans of the  
13 participants shall cease to be effective on the date that the  
14 participant discontinues service.

15 (6) Except for circumstances beyond their control, participants who  
16 serve less than the required service obligation shall be obligated to  
17 repay to the program an amount equal to twice the total amount paid by  
18 the program on their behalf. This amount is due and payable  
19 immediately. Participants who are unable to pay the full amount due  
20 shall enter into a payment arrangement with the ((~~board~~)) office,  
21 including an arrangement for payment of interest. The maximum period  
22 for repayment is ten years. The ((~~board~~)) office shall determine the  
23 applicability of this subsection. The interest rate shall be  
24 determined by the ((~~board~~)) office and be established by rule.

25 (7) The ((~~board~~)) office is responsible for the collection of  
26 payments made on behalf of participants from the participants who  
27 discontinue service before completion of the required service  
28 obligation. The ((~~board~~)) office shall exercise due diligence in such  
29 collection, maintaining all necessary records to ensure that the  
30 maximum amount of payment made on behalf of the participant is  
31 recovered. Collection under this section shall be pursued using the  
32 full extent of the law, including wage garnishment if necessary.

33 (8) The ((~~board~~)) office shall not be held responsible for any  
34 outstanding payments on principal and interest to any lenders once a  
35 participant's eligibility expires.

36 (9) The ((~~board~~)) office shall temporarily or, in special  
37 circumstances, permanently defer the requirements of this section for  
38 eligible students as defined in RCW 28B.10.017.



1 maximum repayments are made. Collection and servicing of repayments  
2 under this section shall be pursued using the full extent of the law,  
3 including wage garnishment if necessary, and shall be performed by  
4 entities approved for such servicing by the Washington student loan  
5 guaranty association or its successor agency. The ((~~board~~)) office is  
6 responsible to forgive all or parts of such repayments under the  
7 criteria established in this section and shall maintain all necessary  
8 records of forgiven payments.

9 (8) Receipts from the payment of principal or interest or any other  
10 subsidies to which the ((~~board~~)) office as administrator is entitled,  
11 which are paid by or on behalf of participants under this section,  
12 shall be deposited with the ((~~board~~)) office and shall be used to cover  
13 the costs of granting the scholarships, maintaining necessary records,  
14 and making collections under subsection (7) of this section. The  
15 ((~~board~~)) office shall maintain accurate records of these costs, and  
16 all receipts beyond those necessary to pay such costs shall be used to  
17 grant scholarships to eligible students.

18 (9) Sponsoring communities who financially contribute to the  
19 eligible financial expenses of eligible medical students may enter into  
20 agreements with the student to require repayment should the student not  
21 serve the required service obligation in the community as a primary  
22 care physician. The ((~~board~~)) office may develop criteria for the  
23 content of such agreements with respect to reasonable provisions and  
24 obligations between communities and eligible students.

25 (10) The ((~~board~~)) office may make exceptions to the conditions for  
26 participation and repayment obligations should circumstances beyond the  
27 control of individual participants warrant such exceptions. The  
28 ((~~board~~)) office shall establish an appeal process by rule.

29 **Sec. 212.** RCW 28B.115.130 and 1991 c 332 s 28 are each amended to  
30 read as follows:

31 (1) Any funds appropriated by the legislature for the health  
32 professional loan repayment and scholarship program or any other public  
33 or private funds intended for loan repayments or scholarships under  
34 this program shall be placed in the account created by this section.

35 (2) The health professional loan repayment and scholarship program  
36 fund is created in custody of the state treasurer. All receipts from  
37 the program shall be deposited into the fund. Only the ((~~higher~~

1 ~~education coordinating board~~) office, or its designee, may authorize  
2 expenditures from the fund. The fund is subject to allotment  
3 procedures under chapter 43.88 RCW, but no appropriation is required  
4 for expenditures.

5 **Sec. 213.** RCW 28B.115.140 and 1989 1st ex.s. c 9 s 722 are each  
6 amended to read as follows:

7 After consulting with the (~~higher education coordinating board~~)  
8 office, the governor may transfer the administration of this program to  
9 another agency with an appropriate mission.

10 **Sec. 214.** RCW 28B.116.010 and 2005 c 215 s 2 are each amended to  
11 read as follows:

12 Unless the context clearly requires otherwise, the definitions in  
13 this section apply throughout this chapter.

14 (1) "Institution of higher education" means a college or university  
15 in the state of Washington that is accredited by an accrediting  
16 association recognized as such by rule of the higher education  
17 coordinating board.

18 (2) "Eligible student" means a student who:

19 (a) Is between the ages of sixteen and twenty-three;

20 (b) Has been in foster care in the state of Washington for a  
21 minimum of six months since his or her fourteenth birthday;

22 (c) Is a financially needy student, as defined in RCW 28B.92.030;

23 (d) Is a resident student, as defined in RCW 28B.15.012(2);

24 (e) Has entered or will enter an institution of higher education in  
25 Washington state within three years of high school graduation or having  
26 successfully completed his or her GED;

27 (f) Is not pursuing a degree in theology; and

28 (g) Makes satisfactory progress towards the completion of a degree  
29 or certificate program.

30 (3) "Cost of attendance" means the cost associated with the  
31 attendance of the institution of higher education as determined by the  
32 (~~higher education coordinating board~~) office of student financial  
33 assistance, including but not limited to tuition, room, board, and  
34 books.

35 (4) "Office" means the office of student financial assistance.

1       **Sec. 215.** RCW 28B.116.020 and 2009 c 560 s 20 are each amended to  
2 read as follows:

3       (1) The foster care endowed scholarship program is created. The  
4 purpose of the program is to help students who were in foster care  
5 attend an institution of higher education in the state of Washington.  
6 The foster care endowed scholarship program shall be administered by  
7 the (~~(higher education coordinating board)~~) office.

8       (2) In administering the program, the (~~(higher — education~~  
9 ~~coordinating board's)~~) office's powers and duties shall include but not  
10 be limited to:

11       (a) Adopting necessary rules and guidelines; and

12       (b) Administering the foster care endowed scholarship trust fund  
13 and the foster care scholarship endowment fund.

14       (3) In administering the program, the (~~(higher — education~~  
15 ~~coordinating board's)~~) office's powers and duties may include but not  
16 be limited to:

17       (a) Working with the department of social and health services and  
18 the superintendent of public instruction to provide information about  
19 the foster care endowed scholarship program to children in foster care  
20 in the state of Washington and to students over the age of sixteen who  
21 could be eligible for this program;

22       (b) Publicizing the program; and

23       (c) Contracting with a private agency to perform outreach to the  
24 potentially eligible students.

25       **Sec. 216.** RCW 28B.116.030 and 2005 c 215 s 4 are each amended to  
26 read as follows:

27       (1) The (~~(higher education coordinating board)~~) office may award  
28 scholarships to eligible students from the foster care scholarship  
29 endowment fund in RCW 28B.116.060, from funds appropriated to the board  
30 for this purpose, from any private donations, or from any other funds  
31 given to the (~~(board)~~) office for the program.

32       (2) The (~~(board)~~) office may award scholarships to eligible  
33 students from moneys earned from the foster care scholarship endowment  
34 fund created in RCW 28B.116.060, or from funds appropriated to the  
35 board for this purpose, or from any private donations, or from any  
36 other funds given to the (~~(board)~~) office for this program. For an  
37 undergraduate student, the amount of the scholarship shall not exceed

1 the student's demonstrated financial need. For a graduate student, the  
2 amount of the scholarship shall not exceed the student's demonstrated  
3 need; or the stipend of a teaching assistant, including tuition, at the  
4 University of Washington; whichever is higher. In calculating a  
5 student's need, the (~~board~~) office shall consider the student's costs  
6 for tuition, fees, books, supplies, transportation, room, board,  
7 personal expenses, and child care. The student's scholarship awarded  
8 under this chapter shall not exceed the amount received by a student  
9 attending a state research university. A student is eligible to  
10 receive a scholarship for a maximum of five years. However, the length  
11 of the scholarship shall be determined at the discretion of the  
12 (~~board~~) office.

13 (3) Grants under this chapter shall not affect eligibility for the  
14 state student financial aid program.

15 **Sec. 217.** RCW 28B.116.050 and 2005 c 215 s 6 are each amended to  
16 read as follows:

17 (1) The foster care endowed scholarship trust fund is created in  
18 the custody of the state treasurer.

19 (2) Funds appropriated by the legislature for the foster care  
20 endowed scholarship trust fund shall be deposited in the foster care  
21 endowed scholarship trust fund. When conditions in RCW 28B.116.070 are  
22 met, the (~~higher education coordinating board~~) office shall deposit  
23 state matching moneys from the trust fund into the foster care  
24 scholarship endowment fund.

25 (3) No appropriation is required for expenditures from the trust  
26 fund.

27 **Sec. 218.** RCW 28B.116.060 and 2007 c 73 s 3 are each amended to  
28 read as follows:

29 The foster care scholarship endowment fund is created in the  
30 custody of the state treasurer. The investment of the endowment fund  
31 shall be managed by the state investment board.

32 (1) Moneys received from the (~~higher education coordinating~~  
33 ~~board~~) office, private donations, state matching moneys, and funds  
34 received from any other source may be deposited into the foster care  
35 scholarship endowment fund. Private moneys received as a gift subject

1 to conditions may be deposited into the endowment fund if the  
2 conditions do not violate state or federal law.

3 (2) At the request of the (~~higher education coordinating board~~)  
4 office, the state investment board shall release earnings from the  
5 endowment fund to the state treasurer. The state treasurer shall then  
6 release those funds at the request of the (~~higher education~~  
7 ~~coordinating board~~) office for scholarships. No appropriation is  
8 required for expenditures from the endowment fund.

9 (3) The (~~higher education coordinating board~~) office may disburse  
10 grants to eligible students from the foster care scholarship endowment  
11 fund. No appropriation is required for expenditures from the endowment  
12 fund.

13 (4) When notified by court order that a condition attached to a  
14 gift of private moneys from the foster care scholarship endowment fund  
15 has failed, the (~~higher education coordinating board~~) office shall  
16 release those moneys to the donors according to the terms of the  
17 conditional gift.

18 (5) The principal of the foster care scholarship endowment fund  
19 shall not be invaded. For the purposes of this section, only the first  
20 twenty-five thousand dollars deposited into the foster care scholarship  
21 endowment fund shall be considered the principal. The release of  
22 moneys under subsection (4) of this section shall not constitute an  
23 invasion of the corpus.

24 (6) The foster care scholarship endowment fund shall be used solely  
25 for the purposes in this chapter, except when the conditional gift of  
26 private moneys in the endowment fund require a portion of the earnings  
27 on such moneys be reinvested in the endowment fund.

28 **Sec. 219.** RCW 28B.116.070 and 2005 c 215 s 8 are each amended to  
29 read as follows:

30 (1) The (~~higher education coordinating board~~) office may deposit  
31 twenty-five thousand dollars of state matching funds into the foster  
32 care scholarship endowment fund when the (~~board~~) office can match  
33 state funds with an equal amount of private cash donations.

34 (2) After the initial match of twenty-five thousand dollars, state  
35 matching funds from the foster care endowed scholarship trust fund  
36 shall be released to the foster care scholarship endowment fund

1 semiannually so long as there are funds available in the foster care  
2 endowed scholarship trust fund.

3 **Sec. 220.** RCW 28B.117.020 and 2007 c 314 s 2 are each amended to  
4 read as follows:

5 The definitions in this section apply throughout this chapter  
6 unless the context clearly requires otherwise.

7 (1) "Cost of attendance" means the cost associated with attending  
8 a particular institution of higher education as determined by the  
9 (~~higher-education-coordinating-board~~) office, including but not  
10 limited to tuition, fees, room, board, books, personal expenses, and  
11 transportation, plus the cost of reasonable additional expenses  
12 incurred by an eligible student and approved by a financial aid  
13 administrator at the student's school of attendance.

14 (2) "Emancipated from foster care" means a person who was a  
15 dependent of the state in accordance with chapter 13.34 RCW and who was  
16 receiving foster care in the state of Washington when he or she reached  
17 his or her eighteenth birthday.

18 (3) "Financial need" means the difference between a student's cost  
19 of attendance and the student's total family contribution as determined  
20 by the method prescribed by the United States department of education.

21 (4) "Independent college or university" means a private, nonprofit  
22 institution of higher education, open to residents of the state,  
23 providing programs of education beyond the high school level leading to  
24 at least the baccalaureate degree, and accredited by the Northwest  
25 association of schools and colleges, and other institutions as may be  
26 developed that are approved by the (~~higher-education-coordinating~~)  
27 board as meeting equivalent standards as those institutions accredited  
28 under this section.

29 (5) "Institution of higher education" means:

30 (a) Any public university, college, community college, or technical  
31 college operated by the state of Washington or any political  
32 subdivision thereof; or

33 (b) Any independent college or university in Washington; or

34 (c) Any other university, college, school, or institute in the  
35 state of Washington offering instruction beyond the high school level  
36 that is a member institution of an accrediting association recognized  
37 by rule of the higher education coordinating board for the purposes of

1 this section: PROVIDED, That any institution, branch, extension, or  
2 facility operating within the state of Washington that is affiliated  
3 with an institution operating in another state must be a separately  
4 accredited member institution of any such accrediting association, or  
5 a branch of a member institution of an accrediting association  
6 recognized by rule of the board for purposes of this section, that is  
7 eligible for federal student financial aid assistance and has operated  
8 as a nonprofit college or university delivering on-site classroom  
9 instruction for a minimum of twenty consecutive years within the state  
10 of Washington, and has an annual enrollment of at least seven hundred  
11 full-time equivalent students.

12 (6) "Office" means the office of student financial assistance.

13 (7) "Program" means the passport to college promise pilot program  
14 created in this chapter.

15 **Sec. 221.** RCW 28B.117.030 and 2007 c 314 s 4 are each amended to  
16 read as follows:

17 (1) The (~~higher education coordinating board~~) office shall design  
18 and, to the extent funds are appropriated for this purpose, implement,  
19 a program of supplemental scholarship and student assistance for  
20 students who have emancipated from the state foster care system after  
21 having spent at least one year in care.

22 (2) The (~~board~~) office shall convene and consult with an advisory  
23 committee to assist with program design and implementation. The  
24 committee shall include but not be limited to former foster care youth  
25 and their advocates; representatives from the state board for community  
26 and technical colleges, and from public and private agencies that  
27 assist current and former foster care recipients in their transition to  
28 adulthood; and student support specialists from public and private  
29 colleges and universities.

30 (3) To the extent that sufficient funds have been appropriated for  
31 this purpose, a student is eligible for assistance under this section  
32 if he or she:

33 (a) Emancipated from foster care on or after January 1, 2007, after  
34 having spent at least one year in foster care subsequent to his or her  
35 sixteenth birthday;

36 (b) Is a resident student, as defined in RCW 28B.15.012(2);

1 (c) Is enrolled with or will enroll on at least a half-time basis  
2 with an institution of higher education in Washington state by the age  
3 of twenty-one;

4 (d) Is making satisfactory academic progress toward the completion  
5 of a degree or certificate program, if receiving supplemental  
6 scholarship assistance;

7 (e) Has not earned a bachelor's or professional degree; and

8 (f) Is not pursuing a degree in theology.

9 (4) A passport to college scholarship under this section:

10 (a) Shall not exceed resident undergraduate tuition and fees at the  
11 highest-priced public institution of higher education in the state; and

12 (b) Shall not exceed the student's financial need, less a  
13 reasonable self-help amount defined by the board, when combined with  
14 all other public and private grant, scholarship, and waiver assistance  
15 the student receives.

16 (5) An eligible student may receive a passport to college  
17 scholarship under this section for a maximum of five years after the  
18 student first enrolls with an institution of higher education or until  
19 the student turns age twenty-six, whichever occurs first. If a student  
20 turns age twenty-six during an academic year, and would otherwise be  
21 eligible for a scholarship under this section, the student shall  
22 continue to be eligible for a scholarship for the remainder of the  
23 academic year.

24 (6) The (~~higher — education — coordinating — board~~) office, in  
25 consultation with and with assistance from the state board for  
26 community and technical colleges, shall perform an annual analysis to  
27 verify that those institutions of higher education at which students  
28 have received a scholarship under this section have awarded the student  
29 all available need-based and merit-based grant and scholarship aid for  
30 which the student qualifies.

31 (7) In designing and implementing the passport to college student  
32 support program under this section, the (~~board~~) office, in  
33 consultation with and with assistance from the state board for  
34 community and technical colleges, shall ensure that a participating  
35 college or university:

36 (a) Has a viable plan for identifying students eligible for  
37 assistance under this section, for tracking and enhancing their

1 academic progress, for addressing their unique needs for assistance  
2 during school vacations and academic interims, and for linking them to  
3 appropriate sources of assistance in their transition to adulthood;

4 (b) Receives financial and other incentives for achieving  
5 measurable progress in the recruitment, retention, and graduation of  
6 eligible students.

7 **Sec. 222.** RCW 28B.117.040 and 2007 c 314 s 5 are each amended to  
8 read as follows:

9 Effective operation of the passport to college promise pilot  
10 program requires early and accurate identification of former foster  
11 care youth so that they can be linked to the financial and other  
12 assistance that will help them succeed in college. To that end:

13 (1) All institutions of higher education that receive funding for  
14 student support services under RCW 28B.117.030 shall include on their  
15 applications for admission or on their registration materials a  
16 question asking whether the applicant has been in foster care in  
17 Washington state for at least one year since his or her sixteenth  
18 birthday. All other institutions of higher education are strongly  
19 encouraged to include such a question. No institution may consider  
20 whether an applicant may be eligible for a scholarship or student  
21 support services under this chapter when deciding whether the applicant  
22 will be granted admission.

23 (2) The department of social and health services shall devise and  
24 implement procedures for efficiently, promptly, and accurately  
25 identifying students and applicants who are eligible for services under  
26 RCW 28B.117.030, and for sharing that information with the (~~higher~~  
27 ~~education coordinating board~~) office and with institutions of higher  
28 education. The procedures shall include appropriate safeguards for  
29 consent by the applicant or student before disclosure.

30 **Sec. 223.** RCW 28B.117.050 and 2007 c 314 s 6 are each amended to  
31 read as follows:

32 (1) To the extent funds are appropriated for this purpose, the  
33 (~~higher education coordinating board~~) office, with input from the  
34 state board for community and technical colleges, the foster care  
35 partnership, and institutions of higher education, shall develop and  
36 maintain an internet web site and outreach program to serve as a

1 comprehensive portal for foster care youth in Washington state to  
2 obtain information regarding higher education including, but not  
3 necessarily limited to:

4 (a) Academic, social, family, financial, and logistical information  
5 important to successful postsecondary educational success;

6 (b) How and when to obtain and complete college applications;

7 (c) What college placement tests, if any, are generally required  
8 for admission to college and when and how to register for such tests;

9 (d) How and when to obtain and complete a federal free application  
10 for federal student aid (FAFSA); and

11 (e) Detailed sources of financial aid likely available to eligible  
12 former foster care youth, including the financial aid provided by this  
13 chapter.

14 (2) The (~~board~~) office shall determine whether to design, build,  
15 and operate such program and web site directly or to use, support, and  
16 modify existing web sites created by government or nongovernmental  
17 entities for a similar purpose.

18 **Sec. 224.** RCW 28B.117.060 and 2007 c 314 s 7 are each amended to  
19 read as follows:

20 (1) To the extent funds are appropriated for this purpose, the  
21 department of social and health services, with input from the state  
22 board for community and technical colleges, the (~~higher-education~~  
23 ~~coordinating-board~~) office, and institutions of higher education,  
24 shall contract with at least one nongovernmental entity through a  
25 request for proposals process to develop, implement, and administer a  
26 program of supplemental educational transition planning for youth in  
27 foster care in Washington state.

28 (2) The nongovernmental entity or entities chosen by the department  
29 shall have demonstrated success in working with foster care youth and  
30 assisting foster care youth in successfully making the transition from  
31 foster care to independent adulthood.

32 (3) The selected nongovernmental entity or entities shall provide  
33 supplemental educational transition planning to foster care youth in  
34 Washington state beginning at age fourteen and then at least every six  
35 months thereafter. The supplemental transition planning shall include:

36 (a) Comprehensive information regarding postsecondary educational  
37 opportunities including, but not limited to, sources of financial aid,

1 institutional characteristics and record of support for former foster  
2 care youth, transportation, housing, and other logistical  
3 considerations;

4 (b) How and when to apply to postsecondary educational programs;

5 (c) What precollege tests, if any, the particular foster care youth  
6 should take based on his or her postsecondary plans and when to take  
7 the tests;

8 (d) What courses to take to prepare the particular foster care  
9 youth to succeed at his or her postsecondary plans;

10 (e) Social, community, educational, logistical, and other issues  
11 that frequently impact college students and their success rates; and

12 (f) Which web sites, nongovernmental entities, public agencies, and  
13 other foster care youth support providers specialize in which services.

14 (4) The selected nongovernmental entity or entities shall work  
15 directly with the school counselors at the foster care youths' high  
16 schools to ensure that a consistent and complete transition plan has  
17 been prepared for each foster care youth who emancipates out of the  
18 foster care system in Washington state.

19 **Sec. 225.** RCW 28B.117.070 and 2007 c 314 s 8 are each amended to  
20 read as follows:

21 (1) The (~~higher education coordinating board~~) office of student  
22 financial assistance shall report to appropriate committees of the  
23 legislature by January 15, 2008, on the status of program design and  
24 implementation. The report shall include a discussion of proposed  
25 scholarship and student support service approaches; an estimate of the  
26 number of students who will receive such services; baseline information  
27 on the extent to which former foster care youth who meet the  
28 eligibility criteria in RCW 28B.117.030 have enrolled and persisted in  
29 postsecondary education; and recommendations for any statutory changes  
30 needed to promote achievement of program objectives.

31 (2) The state board for community and technical colleges and the  
32 (~~higher education coordinating board~~) office of student financial  
33 assistance shall monitor and analyze the extent to which eligible young  
34 people are increasing their participation, persistence, and progress in  
35 postsecondary education, and shall jointly submit a report on their  
36 findings to appropriate committees of the legislature by December 1,  
37 2009, and by December 1, 2011.

1 (3) The Washington state institute for public policy shall complete  
2 an evaluation of the passport to college promise pilot program and  
3 shall submit a report to appropriate committees of the legislature by  
4 December 1, 2012. The report shall estimate the impact of the program  
5 on eligible students' participation and success in postsecondary  
6 education, and shall include recommendations for program revision and  
7 improvement.

8 **Sec. 226.** RCW 28B.118.010 and 2008 c 321 s 9 are each amended to  
9 read as follows:

10 The (~~higher-education-coordinating-board~~) office\_of\_student  
11 financial\_assistance shall design the Washington college bound  
12 scholarship program in accordance with this section.

13 (1) "Eligible students" are those students who qualify for free or  
14 reduced-price lunches. If a student qualifies in the seventh grade,  
15 the student remains eligible even if the student does not receive free  
16 or reduced-price lunches thereafter.

17 (2) Eligible students shall be notified of their eligibility for  
18 the Washington college bound scholarship program beginning in their  
19 seventh grade year. Students shall also be notified of the  
20 requirements for award of the scholarship.

21 (3) To be eligible for a Washington college bound scholarship, a  
22 student must sign a pledge during seventh or eighth grade that includes  
23 a commitment to graduate from high school with at least a C average and  
24 with no felony convictions. Students who were in the eighth grade  
25 during the 2007-08 school year may sign the pledge during the 2008-09  
26 school year. The pledge must be witnessed by a parent or guardian and  
27 forwarded to the (~~higher-education-coordinating-board~~) office\_of  
28 student financial assistance by mail or electronically, as indicated on  
29 the pledge form.

30 (4)(a) Scholarships shall be awarded to eligible students  
31 graduating from public high schools, approved private high schools  
32 under chapter 28A.195 RCW, or who received home-based instruction under  
33 chapter 28A.200 RCW.

34 (b) To receive the Washington college bound scholarship, a student  
35 must graduate with at least a "C" average from a public high school or  
36 an approved private high school under chapter 28A.195 RCW in Washington

1 or have received home-based instruction under chapter 28A.200 RCW, must  
2 have no felony convictions, and must be a resident student as defined  
3 in RCW 28B.15.012(2) (a) through (d).

4 (5) A student's family income will be assessed upon graduation  
5 before awarding the scholarship.

6 (6) If at graduation from high school the student's family income  
7 does not exceed sixty-five percent of the state median family income,  
8 scholarship award amounts shall be as provided in this section.

9 (a) For students attending two or four-year institutions of higher  
10 education as defined in RCW 28B.10.016, the value of the award shall be  
11 (i) the difference between the student's tuition and required fees,  
12 less the value of any state-funded grant, scholarship, or waiver  
13 assistance the student receives; (ii) plus five hundred dollars for  
14 books and materials.

15 (b) For students attending private four-year institutions of higher  
16 education in Washington, the award amount shall be the representative  
17 average of awards granted to students in public research universities  
18 in Washington.

19 (c) For students attending private vocational schools in  
20 Washington, the award amount shall be the representative average of  
21 awards granted to students in public community and technical colleges  
22 in Washington.

23 (7) Recipients may receive no more than four full-time years' worth  
24 of scholarship awards.

25 (8) Institutions of higher education shall award the student all  
26 need-based and merit-based financial aid for which the student would  
27 otherwise qualify. The Washington college bound scholarship is  
28 intended to replace unmet need, loans, and, at the student's option,  
29 work-study award before any other grants or scholarships are reduced.

30 (9) The first scholarships shall be awarded to students graduating  
31 in 2012.

32 (10) The state of Washington retains legal ownership of tuition  
33 units awarded as scholarships under this chapter until the tuition  
34 units are redeemed. These tuition units shall remain separately held  
35 from any tuition units owned under chapter 28B.95 RCW by a Washington  
36 college bound scholarship recipient.

37 (11) The scholarship award must be used within five years of

1 receipt. Any unused scholarship tuition units revert to the Washington  
2 college bound scholarship account.

3 (12) Should the recipient terminate his or her enrollment for any  
4 reason during the academic year, the unused portion of the scholarship  
5 tuition units shall revert to the Washington college bound scholarship  
6 account.

7 **Sec. 227.** RCW 28B.118.020 and 2007 c 405 s 3 are each amended to  
8 read as follows:

9 The office of the superintendent of public instruction shall:

10 (1) Notify elementary, middle, and junior high schools about the  
11 Washington college bound scholarship program using methods in place for  
12 communicating with schools and school districts; and

13 (2) Work with the (~~higher education coordinating board~~) office of  
14 student financial assistance to develop application collection and  
15 student tracking procedures.

16 **Sec. 228.** RCW 28B.118.040 and 2007 c 405 s 5 are each amended to  
17 read as follows:

18 The (~~higher education coordinating board~~) office of student  
19 financial assistance shall:

20 (1) With the assistance of the office of the superintendent of  
21 public instruction, implement and administer the Washington college  
22 bound scholarship program;

23 (2) Develop and distribute, to all schools with students enrolled  
24 in grade seven or eight, a pledge form that can be completed and  
25 returned electronically or by mail by the student or the school to the  
26 (~~higher education coordinating board~~) office of student financial  
27 assistance;

28 (3) Develop and implement a student application, selection, and  
29 notification process for scholarships;

30 (4) Track scholarship recipients to ensure continued eligibility  
31 and determine student compliance for awarding of scholarships;

32 (5) Subject to appropriation, deposit funds into the state  
33 educational trust fund;

34 (6) Purchase tuition units under the advanced college tuition  
35 payment program in chapter 28B.95 RCW to be owned and held in trust by

1 the board, for the purpose of scholarship awards as provided for in  
2 this section; and

3 (7) Distribute scholarship funds, in the form of tuition units  
4 purchased under the advanced college tuition payment program in chapter  
5 28B.95 RCW or through direct payments from the state educational trust  
6 fund, to institutions of higher education on behalf of scholarship  
7 recipients identified by the (~~board~~) office, as long as recipients  
8 maintain satisfactory academic progress.

9 **Sec. 229.** RCW 28B.118.050 and 2007 c 405 s 6 are each amended to  
10 read as follows:

11 The (~~higher-education-coordinating-board~~) office of student  
12 financial assistance may accept grants, gifts, bequests, and devises of  
13 real and personal property from any source for the purpose of granting  
14 financial aid in addition to that funded by the state.

15 **Sec. 230.** RCW 28B.118.060 and 2007 c 405 s 7 are each amended to  
16 read as follows:

17 The (~~higher-education-coordinating-board~~) office of student  
18 financial assistance may adopt rules to implement this chapter.

19 **Sec. 231.** RCW 28B.119.010 and 2004 c 275 s 60 are each amended to  
20 read as follows:

21 The (~~higher-education-coordinating-board~~) office of student  
22 financial assistance shall design the Washington promise scholarship  
23 program based on the following parameters:

24 (1) Scholarships shall be awarded to students graduating from  
25 public and approved private high schools under chapter 28A.195 RCW,  
26 students participating in home-based instruction as provided in chapter  
27 28A.200 RCW, and persons twenty-one years of age or younger receiving  
28 a GED certificate, who meet both an academic and a financial  
29 eligibility criteria.

30 (a) Academic eligibility criteria shall be defined as follows:

31 (i) Beginning with the graduating class of 2002, students  
32 graduating from public and approved private high schools under chapter  
33 28A.195 RCW must be in the top fifteen percent of their graduating  
34 class, as identified by each respective high school at the completion  
35 of the first term of the student's senior year; or

1 (ii) Students graduating from public high schools, approved private  
2 high schools under chapter 28A.195 RCW, students participating in home-  
3 based instruction as provided in chapter 28A.200 RCW, and persons  
4 twenty-one years of age or younger receiving a GED certificate, must  
5 equal or exceed a cumulative scholastic assessment test I score of  
6 twelve hundred on their first attempt or must equal or exceed a  
7 composite American college test score of twenty-seven on their first  
8 attempt.

9 (b) To meet the financial eligibility criteria, a student's family  
10 income shall not exceed one hundred thirty-five percent of the state  
11 median family income adjusted for family size, as determined by the  
12 (~~higher education coordinating board~~) office of student financial  
13 assistance for each graduating class. Students not meeting the  
14 eligibility requirements for the first year of scholarship benefits may  
15 reapply for the second year of benefits, but must still meet the income  
16 standard set by the (~~board~~) office for the student's graduating  
17 class.

18 (2) Promise scholarships are not intended to supplant any grant,  
19 scholarship, or tax program related to postsecondary education. If the  
20 (~~board~~) office of student financial assistance finds that promise  
21 scholarships supplant or reduce any grant, scholarship, or tax program  
22 for categories of students, then the (~~board~~) office shall adjust the  
23 financial eligibility criteria or the amount of scholarship to the  
24 level necessary to avoid supplanting.

25 (3) Within available funds, each qualifying student shall receive  
26 two consecutive annual awards, the value of each not to exceed the  
27 full-time annual resident tuition rates charged by Washington's  
28 community colleges. The (~~higher education coordinating board~~) office  
29 of student financial assistance shall award scholarships to as many  
30 students as possible from among those qualifying under this section.

31 (4) By October 15th of each year, the (~~board~~) office of student  
32 financial assistance shall determine the award amount of the  
33 scholarships, after taking into consideration the availability of  
34 funds.

35 (5) The scholarships may only be used for undergraduate coursework  
36 at accredited institutions of higher education in the state of  
37 Washington.

1 (6) The scholarships may be used for undergraduate coursework at  
2 Oregon institutions of higher education that are part of the border  
3 county higher education opportunity project in RCW 28B.76.685 when  
4 those institutions offer programs not available at accredited  
5 institutions of higher education in Washington state.

6 (7) The scholarships may be used for college-related expenses,  
7 including but not limited to, tuition, room and board, books, and  
8 materials.

9 (8) The scholarships may not be awarded to any student who is  
10 pursuing a degree in theology.

11 (9) The (~~higher education coordinating board~~) office of student  
12 financial assistance may establish satisfactory progress standards for  
13 the continued receipt of the promise scholarship.

14 (10) The (~~higher education coordinating board~~) office of student  
15 financial assistance shall establish the time frame within which the  
16 student must use the scholarship.

17 **Sec. 232.** RCW 28B.119.020 and 2002 c 204 s 3 are each amended to  
18 read as follows:

19 The (~~higher education coordinating board~~) office of student  
20 financial assistance, with the assistance of the office of the  
21 superintendent of public instruction, shall implement and administer  
22 the Washington promise scholarship program described in RCW 28B.119.010  
23 as follows:

24 (1) The first scholarships shall be awarded to eligible students  
25 enrolling in postsecondary education in the 2002-03 academic year.

26 (2) The office of the superintendent of public instruction shall  
27 provide information to the (~~higher education coordinating board~~)  
28 office of student financial assistance that is necessary for  
29 implementation of the program. The (~~higher education coordinating~~  
30 ~~board~~) office of student financial assistance and the office of the  
31 superintendent of public instruction shall jointly establish a timeline  
32 and procedures necessary for accurate and timely data reporting.

33 (a) For students meeting the academic eligibility criteria as  
34 provided in RCW 28B.119.010(1)(a), the office of the superintendent of  
35 public instruction shall provide the (~~higher education coordinating~~  
36 ~~board~~) office of student financial assistance with student names,  
37 addresses, birth dates, and unique numeric identifiers.

1 (b) Public and approved private high schools under chapter 28A.195  
2 RCW shall provide requested information necessary for implementation of  
3 the program to the office of the superintendent of public instruction  
4 within the established timeline.

5 (c) All student data is confidential and may be used solely for the  
6 purposes of providing scholarships to eligible students.

7 (3) The (~~higher education coordinating board~~) office of student  
8 financial assistance may adopt rules to implement this chapter.

9 **Sec. 233.** RCW 28B.119.030 and 2004 c 275 s 71 are each amended to  
10 read as follows:

11 The Washington promise scholarship program shall not be funded at  
12 the expense of the state need grant program as defined in chapter  
13 28B.92 RCW. In administering the state need grant and promise  
14 scholarship programs, the (~~higher education coordinating board~~)  
15 office of student financial assistance shall first ensure that  
16 eligibility for state need grant recipients is at least fifty-five  
17 percent of state median family income.

18 **Sec. 234.** RCW 28B.119.050 and 2002 c 204 s 6 are each amended to  
19 read as follows:

20 (1) The Washington promise scholarship account is created in the  
21 custody of the state treasurer. The account shall be a nontreasury  
22 account retaining its interest earnings in accordance with RCW  
23 43.79A.040.

24 (2) The (~~higher education coordinating board~~) office of student  
25 financial assistance shall deposit in the account all money received  
26 for the program. The account shall be self-sustaining and consist of  
27 funds appropriated by the legislature for the Washington promise  
28 scholarship program, private contributions to the program, and refunds  
29 of Washington promise scholarships.

30 (3) Expenditures from the account shall be used for scholarships to  
31 eligible students.

32 (4) With the exception of the operating costs associated with the  
33 management of the account by the treasurer's office as authorized in  
34 chapter 43.79A RCW, the account shall be credited with all investment  
35 income earned by the account.

1 (5) Disbursements from the account are exempt from appropriations  
2 and the allotment provisions of chapter 43.88 RCW.

3 (6) Disbursements from the account shall be made only on the  
4 authorization of the (~~higher education coordinating board~~) office of  
5 student financial assistance.

6 **Sec. 235.** RCW 28B.120.020 and 2010 c 245 s 8 are each amended to  
7 read as follows:

8 The higher education coordinating board shall have the following  
9 powers and duties in administering the program for those proposals in  
10 which a four-year institution of higher education is named as the lead  
11 institution and fiscal agent:

12 (1) To adopt rules necessary to carry out the program;

13 (2) To award grants no later than September 1st in those years when  
14 funding is available by June 30th;

15 (3) To establish each biennium specific guidelines for submitting  
16 grant proposals consistent with RCW 28B.120.005 and consistent with the  
17 strategic master plan for higher education, the system design plan, the  
18 overall goals of the program and the guidelines established by the  
19 state board for community and technical colleges under RCW 28B.120.025.

20 After June 30, 2001, and each biennium thereafter, the board shall  
21 determine funding priorities for proposals for the biennium in  
22 consultation with (~~the governor,~~) the legislature, the office of the  
23 superintendent of public instruction, the state board for community and  
24 technical colleges, the workforce training and education coordinating  
25 board, higher education institutions, educational associations, and  
26 business and community groups consistent with statewide needs;

27 (4) To solicit grant proposals and provide information to the  
28 institutions of higher education about the program; and

29 (5) To establish reporting, evaluation, accountability, monitoring,  
30 and dissemination requirements for the recipients of the grants awarded  
31 by the (~~higher education coordinating board~~) office of financial  
32 management.

33 **Sec. 236.** RCW 28B.133.030 and 2011 c 60 s 12 are each amended to  
34 read as follows:

35 (1) The students with dependents grant account is created in the  
36 custody of the state treasurer. All receipts from the program shall be

1 deposited into the account. Only the (~~higher education coordinating~~  
2 ~~board~~) office of student financial assistance, or its designee, may  
3 authorize expenditures from the account. Disbursements from the  
4 account are exempt from appropriations and the allotment procedures  
5 under chapter 43.88 RCW.

6 (2) The (~~board~~) office may solicit and receive gifts, grants, or  
7 endowments from private sources that are made from time to time, in  
8 trust or otherwise, for the use and benefit of the purposes of the  
9 educational assistance grant program. The (~~executive~~) director, or  
10 the (~~executive~~) director's designee, may spend gifts, grants, or  
11 endowments or income from the private sources according to their terms  
12 unless the receipt of the gifts, grants, or endowments violates RCW  
13 42.17A.560.

14 (3) The earnings on the account shall be used solely for the  
15 purposes in RCW 28B.133.010, except when the terms of a conditional  
16 gift of private moneys in the account require that a portion of  
17 earnings on such moneys be reinvested in the account.

18 **Sec. 237.** RCW 28B.133.040 and 2003 c 19 s 5 are each amended to  
19 read as follows:

20 The (~~higher education coordinating board~~) office of student  
21 financial assistance shall develop and administer the educational  
22 assistance grant program for students with dependents. In  
23 administering the program, once the balance in the students with  
24 dependents grant account is five hundred thousand dollars, the  
25 (~~board's~~) office's powers and duties shall include but not be limited  
26 to:

- 27 (1) Adopting necessary rules and guidelines;
- 28 (2) Publicizing the program;
- 29 (3) Accepting and depositing donations into the grant account  
30 established in RCW 28B.133.030; and
- 31 (4) Soliciting and accepting grants and donations from private  
32 sources for the program.

33 **Sec. 238.** RCW 28B.133.050 and 2004 c 275 s 74 are each amended to  
34 read as follows:

35 The educational assistance grant program for students with  
36 dependents grants may be used by eligible participants to attend any

1 public or private college or university in the state of Washington as  
2 defined in RCW 28B.92.030. Each participating student may receive an  
3 amount to be determined by the (~~higher education coordinating board~~)  
4 office of student financial assistance, with a minimum amount of one  
5 thousand dollars per academic year, not to exceed the student's  
6 documented financial need for the course of study as determined by the  
7 institution.

8 Educational assistance grants for students with dependents are not  
9 intended to supplant any grant scholarship or tax program related to  
10 postsecondary education. If the (~~higher education coordinating~~  
11 ~~board~~) office of student financial assistance finds that the  
12 educational assistance grants for students with dependents supplant or  
13 reduce any grant, scholarship, or tax program for categories of  
14 students, then the (~~higher education coordinating board~~) office shall  
15 adjust the financial eligibility criteria or the amount of the grant to  
16 the level necessary to avoid supplanting.

17 **Sec. 239.** RCW 28B.135.010 and 2010 1st sp.s. c 9 s 5 are each  
18 amended to read as follows:

19 The four-year student child care in higher education account is  
20 established. The (~~higher education coordinating board~~) office of  
21 student financial assistance shall administer the program for the  
22 four-year institutions of higher education. Through (~~these~~) this  
23 program(~~s~~) the (~~board~~) office shall award either competitive or  
24 matching child care grants to state institutions of higher education to  
25 encourage programs to address the need for high quality, accessible,  
26 and affordable child care for students at higher education  
27 institutions. The grants shall be used exclusively for the provision  
28 of quality child care services for students at institutions of higher  
29 education. The university or college administration and student  
30 government association, or its equivalent, of each institution  
31 receiving the award may contribute financial support in an amount equal  
32 to or greater than the child care grant received by the institution.

33 **Sec. 240.** RCW 28B.135.030 and 2008 c 162 s 3 are each amended to  
34 read as follows:

35 The (~~higher education coordinating board~~) office of student

1 financial assistance shall have the following powers and duties in  
2 administering the program for the four-year institutions of higher  
3 education:

4 (1) To adopt rules necessary to carry out the program;

5 (2) To establish one or more review committees to assist in the  
6 evaluation of proposals for funding. The review committees may receive  
7 input from parents, educators, and other experts in the field of early  
8 childhood education for this purpose;

9 (3) To establish each biennium specific guidelines for submitting  
10 grant proposals consistent with the overall goals of the program. The  
11 guidelines shall be consistent with the following desired outcomes of  
12 increasing access to quality child care for students, providing  
13 affordable child care alternatives for students, creating a partnership  
14 between university or college administrations, university or college  
15 foundations, and student government associations, or their equivalents;

16 (4) To proportionally distribute the amount of money available in  
17 the trust fund based on the financial support for child care received  
18 by the student government associations or their equivalents. Student  
19 government associations may solicit funds from private organizations  
20 and targeted fund-raising campaigns as part of their financial support  
21 for child care;

22 (5) To solicit grant proposals and provide information to the  
23 institutions of higher education about the program;

24 (6) To establish reporting, evaluation, accountability, monitoring,  
25 and dissemination requirements for the recipients of the grants; and

26 ~~((7) To report to the appropriate committees of the legislature by  
27 December 15, 2008, and every two years thereafter, on the status of  
28 program design and implementation at the four-year institutions of  
29 higher education. The report shall include but not be limited to  
30 summary information on the institutions receiving child care grant  
31 allocations, the amount contributed by each university or college  
32 administration and student government association for the purposes of  
33 child care including expenditures and reports for the previous  
34 biennium, services provided by each institutional child care center,  
35 the number of students using such services, and identifiable unmet  
36 need.))~~

1           **Sec. 241.** RCW 28B.135.040 and 2010 1st sp.s. c 9 s 4 are each  
2 amended to read as follows:

3           The four-year student child care in higher education account is  
4 established in the custody of the state treasurer. Moneys in the  
5 account may be spent only for the purposes of RCW 28B.135.010.  
6 Disbursements from the account shall be on the authorization of the  
7 (~~higher education coordinating board~~) office of student financial  
8 assistance. The account is subject to the allotment procedures under  
9 chapter 43.88 RCW, but no appropriation is required for disbursements.

10           **Sec. 242.** RCW 28C.18.166 and 2009 c 238 s 5 are each amended to  
11 read as follows:

12           On an annual basis, each opportunity internship consortium shall  
13 provide the board with a list of the opportunity internship graduates  
14 from the consortium. The board shall compile the lists from all  
15 consortia and shall notify the (~~higher education coordinating board~~)  
16 office of student financial assistance of the eligibility of each  
17 graduate on the lists to receive a state need grant under chapter  
18 28B.92 RCW if the graduate enrolls in a postsecondary program of study  
19 within one year of high school graduation.

20           **Sec. 243.** RCW 39.86.130 and 2010 1st sp.s. c 6 s 7 are each  
21 amended to read as follows:

22           (1) In granting an allocation, reallocation, or carryforward of the  
23 state ceiling as provided in this chapter, the agency shall consider  
24 existing state priorities and other such criteria, including but not  
25 limited to, the following criteria:

26           (a) Need of issuers to issue bonds within a bond use category  
27 subject to a state ceiling;

28           (b) Amount of the state ceiling available;

29           (c) Public benefit and purpose to be satisfied, including economic  
30 development, educational opportunity, and public health, safety, or  
31 welfare;

32           (d) Cost or availability of alternative methods of financing for  
33 the project or program; and

34           (e) Certainty of using the allocation which is being requested.

35           (2) In determining whether to allocate an amount of the state

1 ceiling to an issuer within any bond use category, the agency shall  
2 consider, but is not limited to, the following criteria for each of the  
3 bond use categories:

4 (a) Housing: Criteria which comply with RCW 43.180.200.

5 (b) Student loans: Criteria which comply with the applicable  
6 provisions of Title 28B RCW and rules adopted by the (~~higher education~~  
7 ~~coordinating board~~) office of student financial assistance or  
8 applicable state agency dealing with student financial aid.

9 (c) Small issue: Factors which may include:

10 (i) The number of employment opportunities the project is likely to  
11 create or retain in relation to the amount of the bond issuance;

12 (ii) The level of unemployment existing in the geographic area  
13 likely to be affected by the project;

14 (iii) A commitment to providing employment opportunities to low-  
15 income persons in cooperation with the employment security department;

16 (iv) Geographic distribution of projects;

17 (v) The number of persons who will benefit from the project;

18 (vi) Consistency with criteria identified in subsection (1) of this  
19 section; and

20 (vii) Order in which requests were received.

21 (d) Exempt facility or redevelopment: Factors which may include:

22 (i) State issuance needs;

23 (ii) Consistency with criteria identified in subsection (1) of this  
24 section;

25 (iii) Order in which requests were received;

26 (iv) The proportionate number of persons in relationship to the  
27 size of the community who will benefit from the project; and

28 (v) The unique timing and issuance needs of large scale projects  
29 that may require allocations in more than one year.

30 (e) Public utility: Factors which may include:

31 (i) Consistency with criteria identified in subsection (1) of this  
32 section; and

33 (ii) Timing needs for issuance of bonds over a multi-year period.

34 NEW SECTION. Sec. 244. The following acts or parts of acts, as  
35 now existing or hereafter amended, are each repealed, effective July 1,  
36 2012:

37 (1) RCW 28B.76.010 (Board created) and 1985 c 370 s 1;

- 1 (2) RCW 28B.76.030 (Purpose) and 2004 c 275 s 1;
- 2 (3) RCW 28B.76.040 (Members--Appointment) and 2002 c 348 s 1, 2002  
3 c 129 s 1, & 1985 c 370 s 10;
- 4 (4) RCW 28B.76.050 (Members--Terms) and 2007 c 458 s 101, 2004 c  
5 275 s 3, 2002 c 129 s 2, & 1985 c 370 s 11;
- 6 (5) RCW 28B.76.060 (Members--Vacancies) and 1985 c 370 s 12;
- 7 (6) RCW 28B.76.070 (Bylaws--Meetings) and 1985 c 370 s 13;
- 8 (7) RCW 28B.76.080 (Members--Compensation and travel expenses) and  
9 1985 c 370 s 16, 1984 c 287 s 65, 1975-'76 2nd ex.s. c 34 s 77, & 1969  
10 ex.s. c 277 s 12;
- 11 (8) RCW 28B.76.200 (Statewide strategic master plan for higher  
12 education--Institution-level strategic plans) and 2007 c 458 s 201,  
13 2004 c 275 s 6, & 2003 c 130 s 2;
- 14 (9) RCW 28B.76.260 (Statewide system of course equivalency--Work  
15 group) and 2004 c 55 s 3;
- 16 (10) RCW 28B.76.280 (Data collection and research--Privacy  
17 protection) and 2010 1st sp.s. c 7 s 58 & 2004 c 275 s 12;
- 18 (11) RCW 28B.76.330 (Coordination, articulation, and transitions  
19 among systems of education--Biennial updates to legislature) and 2004  
20 c 275 s 17 & 1994 c 222 s 3; and
- 21 (12) RCW 28B.76.530 (Board may develop and administer demonstration  
22 projects) and 1989 c 306 s 2.

23 NEW SECTION. **Sec. 245.** The following acts or parts of acts are  
24 each repealed:

- 25 (1) RCW 28B.10.056 (State enrollment and degree priority--Science  
26 and technology fields--Report to the legislature) and 2006 c 180 s 2;
- 27 (2) RCW 28B.10.5691 (Campus safety--Institutional assessments--  
28 Updates--Reports) and 2008 c 168 s 2;
- 29 (3) RCW 28B.15.465 (Gender equity--Reports) and 1997 c 5 s 3 & 1989  
30 c 340 s 5;
- 31 (4) RCW 28B.15.736 (Washington/Oregon reciprocity tuition and fee  
32 program--Program review) and 1985 c 370 s 72, 1983 c 104 s 2, & 1979 c  
33 80 s 4;
- 34 (5) RCW 28B.15.754 (Washington/Idaho reciprocity tuition and fee  
35 program--Implementation agreement--Program review) and 1987 c 446 s 1,  
36 1985 c 370 s 75, & 1983 c 166 s 3;

1 (6) RCW 28B.15.758 (Washington/British Columbia reciprocity tuition  
2 and fee program--Implementation agreement--Program review) and 1987 c  
3 446 s 3, 1985 c 370 s 77, & 1983 c 166 s 5;

4 (7) RCW 28B.76.300 (State support received by students--  
5 Information) and 2004 c 275 s 14, 1997 c 48 s 1, & 1993 c 250 s 1; and

6 (8) RCW 28B.76.320 (Board to transmit amounts constituting approved  
7 educational costs) and 2004 c 275 s 16, 1995 1st sp.s. c 9 s 6, & 1989  
8 c 245 s 4.

9 NEW SECTION. **Sec. 246.** (1) All powers, duties, and functions of  
10 the higher education coordinating board pertaining to student financial  
11 assistance are transferred to the office of student financial  
12 assistance. All references to the executive director or the higher  
13 education coordinating board in the Revised Code of Washington shall be  
14 construed to mean the director or the office of student financial  
15 assistance when referring to the functions transferred in this section.

16 (2)(a) All reports, documents, surveys, books, records, files,  
17 papers, or written material in the possession of the higher education  
18 coordinating board pertaining to the powers, functions, and duties  
19 transferred shall be delivered to the custody of the office of student  
20 financial assistance. All cabinets, furniture, office equipment, motor  
21 vehicles, and other tangible property employed by the higher education  
22 coordinating board in carrying out the powers, functions, and duties  
23 transferred shall be made available to the office of student financial  
24 assistance. All funds, credits, or other assets held in connection  
25 with the powers, functions, and duties transferred shall be assigned to  
26 the office of student financial assistance.

27 (b) Any appropriations made to the higher education coordinating  
28 board for carrying out the powers, functions, and duties transferred  
29 shall, on the effective date of this section, be transferred and  
30 credited to the office of student financial assistance.

31 (c) Whenever any question arises as to the transfer of any  
32 personnel, funds, books, documents, records, papers, files, equipment,  
33 or other tangible property used or held in the exercise of the powers  
34 and the performance of the duties and functions transferred, the  
35 director of financial management shall make a determination as to the  
36 proper allocation and certify the same to the state agencies concerned.

1 (3) All employees of the higher education coordinating board  
2 engaged in performing the powers, functions, and duties transferred are  
3 transferred to the jurisdiction of the office of student financial  
4 assistance. All employees classified under chapter 41.06 RCW, the  
5 state civil service law, are assigned to the office of student  
6 financial assistance to perform their usual duties upon the same terms  
7 as formerly, without any loss of rights, subject to any action that may  
8 be appropriate thereafter in accordance with the laws and rules  
9 governing state civil service.

10 (4) All rules and all pending business before the higher education  
11 coordinating board pertaining to the powers, functions, and duties  
12 transferred shall be continued and acted upon by the office of student  
13 financial assistance. All existing contracts and obligations shall  
14 remain in full force and shall be performed by the office of student  
15 financial assistance.

16 (5) The transfer of the powers, duties, functions, and personnel of  
17 the higher education coordinating board shall not affect the validity  
18 of any act performed before the effective date of this section.

19 (6) If apportionments of budgeted funds are required because of the  
20 transfers directed by this section, the director of financial  
21 management shall certify the apportionments to the agencies affected,  
22 the state auditor, and the state treasurer. Each of these shall make  
23 the appropriate transfer and adjustments in funds and appropriation  
24 accounts and equipment records in accordance with the certification.

25 (7) All classified employees of the higher education coordinating  
26 board assigned to the office of student financial assistance under this  
27 section whose positions are within an existing bargaining unit  
28 description at the office of student financial assistance shall become  
29 a part of the existing bargaining unit at the office of student  
30 financial assistance and shall be considered an appropriate inclusion  
31 or modification of the existing bargaining unit under the provisions of  
32 chapter 41.80 RCW.

33 **PART II**

34 **COUNCIL FOR HIGHER EDUCATION**

35 NEW SECTION. **Sec. 301.** On July 1, 2012, the higher education  
36 coordinating board is abolished and the council for higher education is

1 created subject to the recommendations of the higher education steering  
2 committee established in section 302, chapter . . . , Laws of 2011 1st sp.  
3 sess. (section 302 of this act) and implementing legislation enacted by  
4 the 2012 legislature.

5 NEW SECTION. **Sec. 302.** (1) The higher education steering  
6 committee is created.

7 (2) Members of the steering committee include: The governor or the  
8 governor's designee, who shall chair the committee; two members from  
9 the house of representatives, with one from each of the two major  
10 caucuses, appointed by the speaker of the house of representatives; two  
11 members from the senate, with one appointed from each of the two major  
12 caucuses, appointed by the president of the senate; an equal  
13 representation from the key sectors of the higher education system in  
14 the state; and at least two members representing the public as  
15 appointed by the governor.

16 (3) The steering committee shall review coordination, planning, and  
17 communication for higher education in the state and establish the  
18 purpose and functions of the council for higher education.  
19 Specifically, the steering committee shall consider options for the  
20 following:

21 (a) Creating an effective and efficient higher education system and  
22 coordinating key sectors including through the P-20 system;

23 (b) Improving the coordination of institutions of higher education  
24 and sectors with specific attention to strategic planning, system  
25 design, and transfer and articulation;

26 (c) Improving structures and functions related to administration  
27 and regulation of the state's higher education institutions and  
28 programs, including but not limited to financial aid, the advanced  
29 college tuition payment program, federal grant administration, new  
30 degree program approval, authorization to offer degrees in the state,  
31 reporting performance data, and minimum admission standards; and

32 (d) The composition and mission of the council for higher  
33 education.

34 (4) The steering committee shall consider input from higher  
35 education stakeholders, including but not limited to the higher  
36 education coordinating board, the state board for community and  
37 technical colleges, the community and technical colleges system,

1 private, nonprofit baccalaureate degree-granting institutions, the  
2 office of the superintendent of public instruction, the workforce  
3 training and education coordinating board, the four-year institutions  
4 of higher education, students, faculty, business and labor  
5 organizations, and members of the public.

6 (5) Staff support for the steering committee must be provided by  
7 the office of financial management.

8 (6) The steering committee shall report its findings and  
9 recommendations, including proposed legislation, to the governor and  
10 appropriate committees of the legislature by December 1, 2011.

11 (7) This section expires July 1, 2012.

12 **PART III**  
13 **MISCELLANEOUS PROVISIONS**

14 NEW SECTION. **Sec. 401.** Section 301 of this act constitutes a new  
15 chapter in Title 28B RCW.

16 NEW SECTION. **Sec. 402.** Sections 220 through 225 of this act  
17 expire June 30, 2013.

18 NEW SECTION. **Sec. 403.** Sections 101 through 103, 106 through 202,  
19 204 through 244, and 301 of this act take effect July 1, 2012.

20 NEW SECTION. **Sec. 404.** Section 302 of this act is necessary for  
21 the immediate preservation of the public peace, health, or safety, or  
22 support of the state government and its existing public institutions,  
23 and takes effect July 1, 2011."

24 Correct the title.

--- END ---